OFFERING CIRCULAR 13 May 2022

Bank of America Corporation
(a Delaware (U.S.A.) Corporation)

BofA Finance LLC
(a Delaware Limited Liability Company)

Merrill Lynch B.V.
(a Dutch Private Limited Liability Company)

Merrill Lynch International & Co. C.V.
(a Curaçao Limited Partnership)

NOTE, WARRANT AND CERTIFICATE PROGRAMME

Unconditionally and irrevocably guaranteed
(in respect of Notes issued by BofA Finance LLC and Instruments (other than Secured Instruments) issued by Merrill Lynch B.V. and Merrill Lynch International & Co. C.V.)

by

Bank of America Corporation

*This document (the "**Offering Circular**") constitutes an offering circular in respect of the Programme (as defined below). Instruments (as defined below) issued on or after the date of this Offering Circular are issued subject to the provisions herein. This Offering Circular does not constitute a base prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129 (as amended or superseded, "**EU Prospectus Regulation**") or the UK Prospectus Regulation (as defined below). This Offering Circular supersedes and replaces the Offering Circular dated 14 May 2021.*

The Instruments (as defined below) issued from time to time under this Offering Circular are derivative financial instruments and do not constitute a participation in a collective investment scheme in the meaning of the Swiss Collective Investment Schemes Act ("CISA"). They are neither subject to authorisation nor supervision by the Swiss Financial Market Supervisory Authority ("FINMA"). Accordingly, investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of the relevant Issuer (as defined below) and (if applicable) the Guarantor (as defined below).

This Offering Circular has been approved as a base prospectus on 13 May 2022 by SIX Exchange Regulation Ltd. ("SER") in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act of 15 June 2018, as amended (the "FinSA") (in such capacity, the "Swiss Review Body").

Under the terms of the Note, Warrant and Certificate Programme (the "**Programme**"), Bank of America Corporation ("**BAC**") and BofA Finance LLC ("**BofA Finance**") may from time to time issue notes ("**Notes**"), Merrill Lynch B.V. ("**MLBV**") may from time to time issue Notes, warrants ("**Warrants**") or certificates ("**Certificates**" and, together with Warrants, "**W&C Instruments**" and, together with Notes, "**Instruments**") and Merrill Lynch International & Co. C.V. ("**MLICo.**") (acting by its general partner ML Cayman Holdings Inc.) and, together with BAC in its capacity as an issuer, BofA Finance and MLBV, the "**Issuers**" and each an "**Issuer**") may from time to time issue Certificates or Warrants. Instruments of any kind may be issued including, but not limited to, Instruments relating to a specified index or a basket of indices ("**Index Linked Instruments**"), a specified share or a basket of shares ("**Share Linked Instruments**"), a specified global depositary receipt ("**GDR**") or American depositary receipt ("**ADR**") or a basket of GDRs and/or ADRs ("**GDR/ADR Linked Instruments**"), a specified currency or a basket of currencies ("**FX Linked Instruments**"), a specified commodity or commodity index or a basket of commodities and/or commodity indices ("**Commodity Linked Instruments**"), a specified fund or a basket of funds ("**Fund Linked Instruments**"), a specified inflation index or a basket of inflation indices ("**Inflation Linked Instruments**"), the credit of a specified entity or entities ("**Credit Linked Instruments**") and, in the case of Warrants, a specified share of a company listed on the Saudi Stock Exchange (*Tadawul*) or a basket of such shares ("**Saudi Share Linked Warrants**") or any combination of the foregoing or, in the case of Notes issued by BofA Finance and MLBV, Notes relating to a specified preference share ("**Preference Share Linked Notes**") (and each such underlying asset or

basis of reference, a "**Reference Item**"). Instruments may also bear interest (in the case of Notes) or pay additional amounts (in the case of W&C Instruments). MLICo. and MLBV may also issue W&C Instruments that are secured, in favour of Holders of the W&C Instruments, by a segregated pool of collateral assets (the "**Secured W&C Instruments**"). MLBV may also issue Notes that are secured, in favour of Noteholders, by a segregated pool of collateral assets (the "**Secured Notes**" and, together with the Secured W&C Instruments, the "**Secured Instruments**"). Each issue of Notes will be issued on the terms set out herein which are relevant to such Notes under "Terms and Conditions of the Notes" on pages 206 to 252 and the additional Terms and Conditions on pages 405 to 438, pages 460 to 577, pages 647 to 657 and pages 679 to 790 (the "**Note Conditions**") and each issue of Warrants and Certificates will be issued on the terms set out herein which are relevant to such W&C Instruments under "Terms and Conditions of the W&C Instruments" on pages 354 to 403 and the additional Terms and Conditions on pages 405 to 508, pages 578 to 646 and pages 658 to 790 (the "**W&C Instruments Conditions**") and, in each case, on such additional terms as may be set out in the applicable final terms (the "**Final Terms**"). Further, MLBV may issue cash settled exchangeable notes ("**Exchangeable Notes**"). Each issue of Exchangeable Notes will be issued on the terms set out herein which are relevant to such Exchangeable Notes under the "Terms and Conditions of the Cash Settled Exchangeable Notes" on pages 268 to 307 (the "**Exchangeable Note Conditions**") and on such additional terms as may be set out in the applicable Final Terms. In respect of MLBV, references herein to "Notes" shall be deemed to include Exchangeable Notes, as applicable. **Notes issued by BAC and BofA Finance will be governed by, and construed in accordance with, the laws of the State of New York. Notes issued by MLBV, and any non-contractual obligations arising out of them, will be governed by, and construed in accordance with, English law. The W&C Instruments, and any non-contractual obligations arising out of them, will be governed by, and construed in accordance with, English law.**

BAC (in such capacity, the "**Guarantor**") has in: (a) a guarantee dated 13 May 2022 (the "**BofA Finance Guarantee**"), irrevocably and unconditionally guaranteed the payment obligations in respect of the Notes issued by BofA Finance from time to time under the Programme on or after the date of this Offering Circular; and (b) a guarantee dated 13 May 2022 (the "**MLBV/MLICo. Guarantee**" and, together with the BofA Finance Guarantee, the "**Guarantees**" and each, a "**Guarantee**"), irrevocably and unconditionally guaranteed the payment and non-cash delivery obligations in respect of the Instruments (other than the Secured Instruments) issued by each of MLBV and MLICo. from time to time under the Programme on or after the date of this Offering Circular (see the section entitled "Forms of Guarantee"). **The Guarantees will be governed by, and construed in accordance with, the laws of the State of New York. Secured Instruments issued by MLBV and MLICo. will not benefit from the MLBV/MLICo. Guarantee.**

The maximum aggregate nominal amount of all Notes issued by MLBV from time to time outstanding under the Programme and MLBV's other structured products programmes will not exceed €15,000,000,000 (or its equivalent in other currencies), subject to increase as described in the English Law Programme Agreement (as defined under "Offering and Sale" below). The maximum aggregate nominal amount of all Notes issued by BAC from time to time outstanding under the Programme and certain other BAC international securities programmes and platforms will not exceed U.S.$8,000,000,000 (or its equivalent in other currencies), subject to increase as described in the New York Law Programme Agreement (as defined under "Offering and Sale" below). The maximum aggregate nominal amount of all Notes issued by BofA Finance from time to time outstanding under the Programme will not exceed U.S.$3,000,000,000 (or its equivalent in other currencies), subject to increase as described in the New York Law Programme Agreement.

The Dealers under the Programme are specified in the section entitled "Overview of the Programme" (along with any additional Dealer appointed under the Programme from time to time, the "**Dealers**" and, each a "**Dealer**").

Application has been made to the Luxembourg Stock Exchange for Instruments issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Euro MTF market is not a regulated market for the purposes of Directive 2014/65/EU on Markets in Financial Instruments (as amended or superseded, "**MiFID II**"). The Programme provides that Instruments may be listed or admitted to trading, as the case may be, on such further or other stock exchanges or markets as the relevant Issuer and the Dealer(s) (as defined herein) may agree. The applicable Final Terms will specify whether the Instruments are to be listed (and, if so, on which stock exchange(s) and/or market(s)) or will be unlisted Instruments.

In respect of Instruments constituting structured products within the meaning of Article 3(a)(4) of the FinSA ("**Structured Products**") and which are intended to be marketed and offered in Switzerland to private clients within the meaning of the FinSA, the relevant Issuer will set forth all information which may be required to be disclosed in a simplified prospectus (*vereinfachter Prospekt*) or a key information document (*Basisinformationsblatt*), as the case may be and subject to applicable transitional periods under the FinSA in a separate document referred to as "Final Terms" and/or "Simplified Prospectus" or "Key Information Document" and the relevant Issuer reserves the right to prepare such separate document for any other Instruments constituting Structured Products. **In the absence of such separate document, Instruments constituting Structured Products shall not be offered, sold, marketed or otherwise made available to any private client in Switzerland other than in the context of a portfolio management agreement within the meaning of Article 58(2) FinSA and Article 83 of the Swiss Financial Services Ordinance of 6 November 2019 (the "FinSO").**

The Instruments, the Guarantees and, in certain cases, any securities to be delivered upon exercise or settlement of the Instruments (if any) have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under any U.S. state securities laws. The Instruments, the Guarantees and certain Entitlements (as defined herein) do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**"), and trading in the Instruments has not been approved by the U.S. Commodity Futures Trading Commission (the "**CFTC**") pursuant to the CEA. The Notes issued by BAC and BofA Finance may not be offered, sold, resold, traded, transferred, pledged, delivered, exercised or redeemed, directly or indirectly, at any time within the United States or to, or for the account or benefit of, any U.S. person (other than distributors) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Instruments (other than Rule 144A Instruments) issued by MLBV and MLICo., and certain Entitlements (if any) relating to such Instruments, may not be legally or beneficially owned by U.S. persons at any time nor offered, sold or delivered in the United States or to, or for the account or benefit of, U.S. persons. None of the Issuers has registered as an investment company pursuant to the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"), and the rules thereunder. MLBV and MLICo. may offer and sell Instruments of certain issues within the United States or to, or for the account or benefit of, U.S. persons, if such persons are reasonably believed by MLBV or MLICo., as applicable, to be qualified institutional buyers (each a "**QIB**") as defined in Rule 144A under the Securities Act ("**Rule 144A**") who are also each a qualified purchaser (each a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the 1940 Act and the rules thereunder and who have executed an Investor Representation Letter (as defined herein) prior to acquiring any interest in such Instruments, such Instruments being referred to in this Offering Circular as "**Rule 144A Instruments**". Each purchaser of Rule 144A Instruments is hereby notified that the offer and sale of such Rule 144A Instruments is being made in reliance upon the exemption from the securities registration requirements of the Securities Act provided by Rule 144A and upon the relevant exemptions from U.S. state securities laws and any other applicable laws of other jurisdictions, and that such Rule 144A Instruments are not transferable except as provided under "Offering and Sale" below. In certain circumstances, exercise or settlement of Instruments will be conditional upon certification as to non-U.S. beneficial ownership or, in the case of a Series (as defined below) of Rule 144A Instruments, that the holder (and any person on whose behalf the holder is acting) is a QIB and a QP. See "Terms and Conditions of the Notes" on pages 206 to 252 and "Additional Terms and Conditions for Rule 144A Notes" on pages 653 to 657. See "Terms and Conditions of the W&C Instruments" on pages 354 to 403 and "Additional Terms and Conditions for Rule 144A W&C Instruments" on pages 658 to 672. Investors in the Instruments will be deemed to have made or be required to make certain acknowledgements, representations and warranties in connection with purchasing the Instruments. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" on pages 819 to 836. Rule 144A Instruments will, unless otherwise specified in the applicable Final Terms, be sold through BofA Securities, Inc. or one of its affiliates, which in each case is a registered broker dealer in the United States.

Rule 144A Instruments relating to commodities and commodities futures may only be offered, sold or resold in or into the United States pursuant to one or more applicable exemptions and/or exclusions under the CEA. MLBV, MLICo. and the Guarantor reserve the right not to make payment or delivery in respect of any such Rule 144A Instruments to a person in the United States or a U.S. person if such payment or delivery would constitute a violation of U.S. law.

Hedging transactions involving any Warrants may not be conducted unless in compliance with the Securities Act.

Unless otherwise indicated, as used in this Offering Circular, "**U.S. person**" has the meaning ascribed to it by Regulation S under the Securities Act.

For a description of certain further restrictions on offers and sales of the Instruments and on the distribution of this Offering Circular, see "Offering and Sale" on pages 882 to 909.

The Notes issued by BAC and BofA Finance are unsecured and are not and will not be savings accounts, deposits or obligations of, or otherwise guaranteed by, Bank of America, N.A. ("**BANA**") or any other bank. The Notes issued by BAC and BofA Finance do not evidence deposits of BANA or any other banking affiliate of BAC and are not insured by the U.S. Federal Deposit Insurance Corporation (the "**FDIC**"), the Deposit Insurance Fund or any other insurer or governmental agency or instrumentality.

BAC is incorporated in Delaware, United States, is registered as a bank holding company under the U.S. Bank Holding Company Act of 1956, as amended, and is a financial holding company. BAC is not licensed as a bank or a credit institution in the United States or any other jurisdiction, and, under applicable U.S. laws, is not required to be so licensed in order to issue or guarantee any Instruments under the Programme. BAC's principal banking subsidiary is BANA. Neither BANA nor any other of BAC's banking subsidiaries acts as issuer or guarantor of any Instruments issued under the Programme.

Each issue of Instruments will be issued in the form set out in "Form of the Instruments" on pages 147 to 153.

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

Notwithstanding the above paragraph, in the case where the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to EEA Retail Investors" but where the Issuer subsequently prepares and publishes a key information document under the EU PRIIPs Regulation in respect of such Instruments, then following such publication, the prohibition on the offering, sale or otherwise making available the Instruments to a retail investor as described in the above paragraph and in such legend shall no longer apply.

IMPORTANT – UK RETAIL INVESTORS - If the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") and the regulations made under the EUWA; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA (the "**UK Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the

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

Notwithstanding the above paragraph, in the case where the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to UK Retail Investors" but where the Issuer subsequently prepares and publishes a key information document under the UK PRIIPs Regulation in respect of such Instruments, then following such publication, the prohibition on the offering, sale or otherwise making available the Instruments to a retail investor as described in the above paragraph and in such legend shall no longer apply.

INVESTORS SHOULD NOTE THAT BANK OF AMERICA CORPORATION IS NOT LICENSED TO OPERATE AS A BANK IN ITALY.

Prospective purchasers of Instruments should ensure that they understand the nature of the relevant Instruments and the extent of their exposure to risks and that they consider the suitability of the relevant Instruments as an investment in light of their own circumstances and financial condition. Instruments involve a high degree of risk and potential investors should be prepared to sustain a total loss of the purchase price of their Instruments. See "Risk Factors" on pages 43 to 131.

BofA Securities

IMPORTANT NOTICES

This Offering Circular is a "prospectus" for the purposes of the admission to listing on the Official List of the Luxembourg Stock Exchange and to trading of the Instruments on the Euro MTF in accordance with Part IV of the Luxembourg law on prospectuses for securities, dated July 16, 2019, and the rules and regulations of the Luxembourg Stock Exchange. The Euro MTF is not a "regulated market" for the purposes of MiFID II. This document does not constitute a base prospectus for the purposes of Article 8 of the EU Prospectus Regulation or the UK Prospectus Regulation. This Offering Circular is not a prospectus for the purposes of Section 12(a)(2) or any other provision of or rule under the Securities Act.

This Offering Circular is a base prospectus within the meaning of Article 45 of the FinSA and has been approved as such by SER in its capacity as Swiss Review Body. The Instruments issued hereunder will not be admitted to trading on any trading venue in Switzerland.

BAC accepts responsibility for the information set forth under "Bank of America Corporation" on pages 837 to 840, the information set forth under "Selected Financial Data of Bank of America Corporation" on pages 841 to 842, information incorporated by reference in respect of BAC and the statements in respect of BAC under "General Information" on pages 910 to 914, and, to the best of the knowledge of BAC, such information is in accordance with the facts and makes no omission likely to affect its import. BAC has accurately reproduced the information contained in the BofA Finance Offering Circular, MLBV Offering Circular and MLICo. Offering Circular (each as defined below) and accepts responsibility for the accurate reproduction of such information.

BofA Finance accepts responsibility for the information contained in this Offering Circular, excluding the information set out under "Bank of America Corporation" on pages 837 to 840, the information set out under "Selected Financial Data of Bank of America Corporation" on pages 841 to 842, the information set out under "Merrill Lynch B.V." on pages 845 to 846, the information set out under "Selected Financial Data of Merrill Lynch B.V." on pages 847 to 849, the information set out under "Merrill Lynch International & Co. C.V." on pages 850 to 851, the information set out under "Selected Financial Data of Merrill Lynch International & Co. C.V." on pages 852 to 853, the information set out under "Form of Final Terms of the Cash Settled Exchangeable Notes" on pages 253 to 267, the information set out under "Terms and Conditions of the Cash Settled Exchangeable Notes" on pages 268 to 307, the information set out under "Form of Final Terms of the W&C Instruments" on pages 309 to 353, the information set out under "Terms and Conditions of the W&C Instruments" on pages 354 to 403, the information set out under "Use of Proceeds of the W&C Instruments" on page 404, the information set out under "Annex 3 – *Additional Terms and Conditions for Low Exercise Price Warrants*" on pages 439 to 459, the information set out under "Annex 9B – Additional Terms and Conditions for Credit Linked W&C Instruments" on pages 578 to 646, the information set out under "Annex 10 – *Additional Terms and Conditions for Physical Delivery Notes*" on pages 647 to 652, the information set out under "Annex 11A – Additional Terms and Conditions for Rule 144A Notes" on pages 653 to 657, the information set out under "Annex 11B – Additional Terms and Conditions for Rule 144A W&C Instruments" on pages 658 to 672, the information set out under "Annex 12 – *Additional Terms and Conditions for Saudi Share Linked Warrants*" on pages 673 to 678, the information set out under "Annex 13 – *Additional Terms and Conditions for Secured Static/Floating Instruments*" on pages 679 to 716, the information set out under "Annex 14 – *Additional Terms and Conditions for Secured Fully Floating Instruments*" on pages 717 to 746, information incorporated by reference in respect of BAC, MLBV and MLICo. and statements in respect of BAC, MLBV and MLICo. under "General Information" on pages 910 to 915 (together, the "BofA Finance Offering Circular"), and, to the best of the knowledge of BofA Finance, the information contained in the BofA Finance Offering Circular is in accordance with the facts and makes no omission likely to affect its import.

MLBV accepts responsibility for the information contained in this Offering Circular, excluding the information set out under "Bank of America Corporation" on pages 837 to 840, the information set out under "Selected Financial Data of Bank of America Corporation" on pages 841 to 842, the information set out under "BofA Finance LLC" on pages 843 to 844, the information set out under "Merrill Lynch International & Co. C.V." on pages 850 to 851, the information set out under "Selected Financial Data of Merrill Lynch International & Co. C.V." on pages 852 to 853,

information incorporated by reference in respect of BAC and MLICo. and statements in respect of BAC, BofA Finance and MLICo. under "General Information" on pages 910 to 914 (together, the "MLBV Offering Circular"), and, to the best of the knowledge of MLBV, the information contained in the MLBV Offering Circular is in accordance with the facts and makes no omission likely to affect its import.

MLICo. accepts responsibility for the information contained in this Offering Circular, excluding the information set out under "Description of the Preference Share Issuer and the Preference Shares" on pages 145 to 146, "Bank of America Corporation" on pages 837 to 840, the information set out under "Selected Financial Data of Bank of America Corporation" on pages 841 to 842, the information set out under "BofA Finance LLC" on pages 843 to 844, the information set out under "Merrill Lynch B.V." on pages 845 to 846, the information set out under "Selected Financial Data of Merrill Lynch B.V." on pages 847 to 849, the information set out under "Form of Final Terms of the Notes" on pages 154 to 205, the information set out under "Terms and Conditions of the Notes" on pages 206 to 252, the information set out under "Form of Final Terms of the Cash Settled Exchangeable Notes" on pages 253 to 267, the information set out under "Terms and Conditions of the Cash Settled Exchangeable Notes" on pages 268 to 307, the information set out under "Use of Proceeds of the Notes" on page 308, the information set out under "Annex 9A – Additional Terms and Conditions for Credit Linked Notes" on pages 509 to 577, the information set out under "Annex 10 – Additional Terms and Conditions for Physical Delivery Notes" on pages 647 to 652, the information set out under "Annex 11A – Additional Terms and Conditions for Rule 144A Notes" on pages 653 to 658, the information set out under "Annex 15 – Additional Terms and Conditions for Preference Share Linked Notes" on pages 747 to 752, the information incorporated by reference in respect of BAC, BofA Finance and MLBV and statements in respect of BAC and MLBV under "General Information" on pages 910 to 914 (together, the "MLICo. Offering Circular"), and, to the best of the knowledge of MLICo., the information contained in the MLICo. Offering Circular is in accordance with the facts and makes no omission likely to affect its import.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Offering Circular in connection with an offer of Instruments are the persons named in the applicable Final Terms as the relevant Issuer or the relevant Dealer(s) or Manager(s), as the case may be.

Information contained in this Offering Circular which is sourced from a third party has been accurately reproduced and, as far as each Issuer and the Guarantor is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Each Issuer has also identified the source(s) of such information.

The applicable Final Terms (if applicable) will specify the nature of the responsibility taken by the relevant Issuer and the Guarantor (if applicable) for the information relating to the Reference Item to which the relevant Instruments relate and which is contained in such Final Terms.

No person is or has been authorised by BAC, BofA Finance, MLBV, MLICo., Merrill Lynch International ("MLI"), BofA Securities Europe SA ("BofASE") or any other Dealer to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by BAC, BofA Finance, MLBV, MLICo., MLI, BofASE or any other Dealer of an issue of Instruments. This Offering Circular does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Instruments or the distribution of this Offering Circular in any jurisdiction where any such action is required.

This Offering Circular is to be read and construed in conjunction with all documents which are, or are deemed to be, incorporated herein by reference (see "Documents Incorporated by Reference" on pages 15 to 24). This Offering Circular shall be read and construed on the basis that such documents are incorporated in and form part of this Offering Circular.

The Instruments of each issue may be sold by the relevant Issuer and/or any Dealer at such time and at such prices as the relevant Issuer and/or the Dealer(s) may select. There is no obligation

upon the relevant Issuer or any Dealer to sell all of the Instruments of any issue. The Instruments of any issue may be offered or sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the relevant Issuer.

Subject as provided in the "Terms and Conditions of the Notes", the "Terms and Conditions of the Cash Settled Exchangeable Notes" and the "Terms and Conditions of the W&C Instruments", as applicable, each Issuer shall have complete discretion as to what type of Instruments it issues and when.

Apart from BAC, BofA Finance, MLBV and MLICo., no other party has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any Dealer as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by BAC, BofA Finance, MLBV and/or MLICo. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by BAC, BofA Finance, MLBV and/or MLICo. in connection with the Programme.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Instruments (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by BAC, BofA Finance, MLBV and/or MLICo. or any Dealer that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Instruments should purchase any Instruments. Each investor contemplating purchasing any Instruments should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and the Guarantor (if applicable). Neither this Offering Circular nor any other information supplied in connection with the Programme or any issue of Instruments constitutes an offer or an invitation by or on behalf of BAC, BofA Finance, MLBV and/or MLICo. or any Dealer or any other person to subscribe for or to purchase any Instruments.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Instruments shall in any circumstances imply that the information contained herein concerning BAC, BofA Finance, MLBV and/or MLICo. is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. No Dealer undertakes to review the financial condition or affairs of BAC, BofA Finance, MLBV and/or MLICo. during the life of the Programme or to advise any investor in the Instruments of any information coming to their attention.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Instruments in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Instruments may be restricted by law in certain jurisdictions. None of BAC, BofA Finance, MLBV, MLICo. and any Dealer represents that this Offering Circular may be lawfully distributed, or that any Instruments may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offer. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by BAC, BofA Finance, MLBV, MLICo. or any Dealer which is intended to permit a public offering of any Instruments or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Instruments may be offered or sold, directly or indirectly, and neither this Offering Circular 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 Offering Circular or any Instruments may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Instruments. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Instruments in the United States, the EEA (including France, Italy, Luxembourg, the Netherlands and Spain), the United Kingdom, Argentina, Austria, Bahamas, Bermuda, Brazil, Cayman Islands, Chile, China, Colombia, Costa Rica, Dominican Republic, El Salvador, Finland,

Greece, Guatemala, Guernsey, Honduras, Hong Kong, Israel, Jamaica, Japan, Jersey, Mauritius, Mexico, New Zealand, Nicaragua, Panama, Paraguay, Peru, Philippines, Portugal, Singapore, South Africa, South Korea, St. Kitts and Nevis, Switzerland, Taiwan, Thailand, United Arab Emirates, Uruguay and Venezuela, and such other restrictions as may be required in connection with the offering and sale of a particular Series of Instruments, including the restrictions in connection with the offering and sale of Low Exercise Price Warrants that are linked to a share or an index listed on an exchange in certain jurisdictions including China, Indonesia, Malaysia, Pakistan, Taiwan, Thailand and Vietnam (see "Offering and Sale" on pages 882 to 909). In particular, the Instruments, the Guarantee and, in certain cases, any securities to be delivered upon exercise or settlement of the Instruments (if any) have not been and will not be registered under the Securities Act.

This Offering Circular has been prepared on the basis that any offer of Instruments in any Member State of the EEA (each, a "Member State") will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement to publish a prospectus for offers of Instruments. Accordingly any person making or intending to make an offer in that Member State of Instruments which are the subject of an offering contemplated in this Offering Circular as completed by the applicable Final Terms in relation to the offer of those Instruments may only do so in circumstances in which no obligation arises for the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. None of the relevant Issuer, the Guarantor (if applicable) and any Dealer have authorised, nor do they authorise, the making of any offer of Instruments in circumstances in which an obligation arises for the relevant Issuer, the Guarantor (if applicable) or any Dealer to publish or supplement a prospectus for such offer.

This Offering Circular has been prepared on the basis that any offer of Instruments in the United Kingdom will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of Instruments. Accordingly any person making or intending to make an offer of Instruments in the United Kingdom which are the subject of an offering contemplated in this Offering Circular as completed by the applicable Final Terms in relation to the offer of those Instruments may only do so in circumstances in which no obligation arises for the relevant Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer. None of the relevant Issuer, the Guarantor (if applicable) and any Dealer have authorised, nor do they authorise, the making of any offer of Instruments in circumstances in which an obligation arises for the relevant Issuer, the Guarantor (if applicable) or any Dealer to publish or supplement a prospectus for such offer.

No Notes issued by MLBV or W&C Instruments (other than Rule 144A Instruments), or any interests therein, may at any time be offered, sold, resold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) and any offer, sale, resale, pledge, assignment, delivery or other transfer, exercise or redemption made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" and "Offering and Sale". No Notes issued by BAC or BofA Finance may be offered, sold, resold, traded, transferred, pledged, delivered, exercised or redeemed, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes issued by BAC or BofA Finance will be subject to certain restrictions on transfer – see "Offering and Sale".

None of the Instruments and the Guarantees have been approved or disapproved by the U.S. Securities and Exchange Commission (the "SEC") or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States. The Instruments, the Guarantees and certain Entitlements do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the CEA, and trading in the Instruments has not been approved by the CFTC pursuant to the CEA.

This Offering Circular is being submitted on a confidential basis in the United States to a limited number of QIBs who are also QPs for informational use solely in connection with the consideration of the purchase of the Rule 144A Instruments. It may not be copied or reproduced in the United States in whole or in part nor may it be distributed or any of its contents disclosed to anyone in the United States other than the prospective investors to whom it is originally submitted.

Each purchaser or holder of interests in the Instruments will be deemed, by its acceptance or purchase of any such Instruments, to have made, or will be required to make, certain representations and agreements as set out in "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" and "Offering and Sale".

Notwithstanding anything to the contrary contained herein, each holder and beneficial owner of the Instruments (and each employee, representative, or other agent of each holder and beneficial owner of the Instruments) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described herein and all materials of any kind that are provided to the holder or beneficial owner of the Instruments relating to such tax treatment and tax structure (as such terms are defined in United States Treasury Regulation Section 1.6011-4). This authorisation of tax disclosure is retroactively effective to the commencement of discussions with holders or beneficial owners of the Instruments regarding the transactions contemplated herein.

None of BAC, BofA Finance, MLBV and MLICo. has investigated, and none has or may have access to information that would permit it to ascertain, whether any company which has issued equity, debt or other instruments to which any Instruments relate is for United States tax purposes a passive foreign investment company, a controlled foreign corporation, a publicly-traded partnership or other type of pass-through entity. Prospective investors in any Instruments that are U.S. taxpayers should consult their own advisers concerning United States tax considerations relevant to an investment in such Instruments.

If Instruments are linked to Reference Items that are Shares of one or more United States issuers, such Shares must be registered with the SEC. In addition, if Instruments are linked to Reference Items that are (i) Shares of one or more United States issuers or (ii) indices comprised of stock, Shares or other securities of United States issuers, such United States issuers must be, at the time of the issuance of the relevant Instruments, a reporting issuer under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). If Instruments are linked to Reference Items that are ADRs, such ADRs must be listed or admitted to trading on a U.S. securities exchange registered under the Exchange Act or included in the OTC Bulletin Board Service operated by the Financial Industry Regulatory Authority, Inc.

In this Offering Circular, references to "U.S.$", "$" and "U.S. dollars" are to United States Dollars; references to "A$" are to Australian dollars; references to "EUR", "Euro", "euro" and "€" are to the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time); and references to "CNY" are to Chinese Renminbi, the lawful currency of the People's Republic of China (including any lawful successor to the CNY).

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

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Offering Circular constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These statements can be identified by the fact that they do not relate strictly to historical or current facts. These statements often use words such as "anticipates", "targets", "expects", "hopes", "estimates", "intends", "plans", "goals", "believes", "continue", and other similar expressions, or future or conditional verbs such as "will", "may", "might", "should", "would" and "could".

All forward-looking statements, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those set forth in these forward-looking statements. As a large, international financial services company, BAC and its subsidiaries face risks that are inherent in the businesses and market places in which they operate. Information regarding important factors that could cause BAC's future financial performance to vary from that described in its forward-looking statements is contained in the BAC 2021 Annual Report (a defined below), which is incorporated by reference in this Offering Circular, under the captions "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and in the BAC 31 March 2022 Quarterly Report (as defined below), which is incorporated by reference into this Offering Circular, under the caption "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations".

Investors should not place undue reliance on any forward-looking statements, which speak only as of the dates they are made.

All subsequent written and oral forward-looking statements attributable to BAC or any person on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, BAC undertakes no obligation to update these forward-looking statements to reflect the impact of circumstances or events that arise after the date of this Offering Circular or to reflect the occurrence of unanticipated events.

Pursuant to Article 69(3) FinSA, investors are hereby cautioned that any forward-looking statements contained in this Offering Circular are not historical in nature but are forward-looking based on information and assumptions the Issuers consider to be reasonable. Such statements are inherently uncertain and subject to a variety of circumstances, many of which are beyond the Issuers' control and could cause actual results to differ materially from what the Issuers anticipate. Due to the uncertainty of future developments, to the fullest extent permitted by applicable law, the Issuers do not assume any liability in respect of or in connection with any forward-looking statements contained herein.

TABLE OF CONTENTS

Page

IMPORTANT NOTICES 6
AVAILABLE INFORMATION 14
DOCUMENTS INCORPORATED BY REFERENCE 15
OVERVIEW OF THE PROGRAMME 25
SUMMARY FOR FINSA PURPOSES 38
RISK FACTORS 43
DESCRIPTION OF THE COLLATERAL ARRANGEMENTS RELATING TO SECURED INSTRUMENTS 132
DESCRIPTION OF THE PREFERENCE SHARE ISSUER AND THE PREFERENCE SHARES 145
FORM OF THE INSTRUMENTS 147
FORM OF FINAL TERMS OF THE NOTES 154
TERMS AND CONDITIONS OF THE NOTES 206
FORM OF FINAL TERMS OF THE CASH SETTLED EXCHANGEABLE NOTES 253
TERMS AND CONDITIONS OF THE CASH SETTLED EXCHANGEABLE NOTES 268
USE OF PROCEEDS OF THE NOTES 308
FORM OF FINAL TERMS OF THE W&C INSTRUMENTS 309
TERMS AND CONDITIONS OF THE W&C INSTRUMENTS 354
USE OF PROCEEDS OF THE W&C INSTRUMENTS 404
ANNEX 1 ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED INSTRUMENTS 405
ANNEX 2 ADDITIONAL TERMS AND CONDITIONS FOR SHARE LINKED INSTRUMENTS 421
ANNEX 3 ADDITIONAL TERMS AND CONDITIONS FOR LOW EXERCISE PRICE WARRANTS 439
ANNEX 4 ADDITIONAL TERMS AND CONDITIONS FOR GDR/ADR LINKED INSTRUMENTS 460
ANNEX 5 ADDITIONAL TERMS AND CONDITIONS FOR FX LINKED INSTRUMENTS 465
ANNEX 6 ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED INSTRUMENTS 474
ANNEX 7 ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED INSTRUMENTS 484
ANNEX 8 ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED INSTRUMENTS 505
ANNEX 9A ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED NOTES 509
ANNEX 9B ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED W&C INSTRUMENTS 578
ANNEX 10 ADDITIONAL TERMS AND CONDITIONS FOR PHYSICAL DELIVERY NOTES 647
ANNEX 11A ADDITIONAL TERMS AND CONDITIONS FOR RULE 144A NOTES 653
ANNEX 11B ADDITIONAL TERMS AND CONDITIONS FOR RULE 144A W&C INSTRUMENTS 658
ANNEX 12 ADDITIONAL TERMS AND CONDITIONS FOR SAUDI SHARE LINKED WARRANTS 673
ANNEX 13 ADDITIONAL TERMS AND CONDITIONS FOR SECURED STATIC/FLOATING INSTRUMENTS 679
ANNEX 14 ADDITIONAL TERMS AND CONDITIONS FOR SECURED FULLY FLOATING INSTRUMENTS 717
ANNEX 15 ADDITIONAL TERMS AND CONDITIONS FOR PREFERENCE SHARE LINKED NOTES 747
ANNEX 16 ADDITIONAL TERMS AND CONDITIONS FOR INDEX-LINKED FUTURES CONTRACTS 753
ANNEX 17 ADDITIONAL TERMS AND CONDITIONS FOR REFERENCE RATES 757
ANNEX 18 SWISS PRODUCT DESCRIPTION 791
ADDITIONAL INFORMATION ABOUT SCREEN RATE DETERMINATION REFERENCE RATES AND SOFR, SONIA AND TONA 803
FORMS OF GUARANTEES 808
BOOK-ENTRY CLEARING SYSTEMS 815
NOTICE TO PURCHASERS AND HOLDERS OF INSTRUMENTS AND TRANSFER RESTRICTIONS 819
BANK OF AMERICA CORPORATION 837
SELECTED FINANCIAL DATA OF BANK OF AMERICA CORPORATION 841
BOFA FINANCE LLC 843
MERRILL LYNCH B.V. 845
SELECTED FINANCIAL DATA OF MERRILL LYNCH B.V. 847
MERRILL LYNCH INTERNATIONAL & CO. C.V. 850
SELECTED FINANCIAL DATA OF MERRILL LYNCH INTERNATIONAL & CO. C.V. 852
MERRILL LYNCH INTERNATIONAL 854
ERISA MATTERS 856

TAXATION 858
OFFERING AND SALE 882
GENERAL INFORMATION 910
INDEX OF DEFINED TERMS 915

AVAILABLE INFORMATION

Other than with respect to Secured Instruments, BAC will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the oral or written request of such person, a copy of any or all of the documents relating to BAC incorporated herein by reference. Written requests for such documents should be directed to: Bank of America Corporation, Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255-0065, Attention: Fixed Income Investor Relations, or fixedincomeir@bankofamerica.com. Telephone requests may be directed to either +1-866-607-1234 (toll free) or +1-212-449-6795. BAC's filings with the SEC are available through (1) the SEC's website at www.sec.gov and (2) BAC's website at www.bankofamerica.com. In addition, all documents incorporated herein by reference will be available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies will be obtainable at the specified offices of the Principal Paying Agent (in respect of Exchangeable Notes), the applicable Paying Agent (in respect of Notes) and the applicable W&C Instrument Agent (in respect of W&C Instruments). References to web addresses in this Offering Circular are included as inactive textual references only. Except as specifically incorporated by reference into this Offering Circular, information on these websites is not part of this Offering Circular.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published and have been filed with the Luxembourg Stock Exchange, shall be deemed to be incorporated in, and to form part of, this Offering Circular:

(a) BAC's Annual Report on Form 10-K for the year ended 31 December 2021 (the "**BAC 2021 Annual Report**");

(b) BAC's Quarterly Report on Form 10-Q for the quarter ended 31 March 2022 (the "**BAC 31 March 2022 Quarterly Report**");

(c) BAC's Current Reports on Form 8-K filed on 4 February 2022 (the "**BAC 4 February 2022 Form 8-K**") and 27 April 2022 (the "**BAC 27 April 2022 Form 8-K**, and together with the BAC 4 February 2022 Form 8-K, the "**BAC Forms 8-K**") (other than, with respect to these reports, information that is furnished but deemed not to have been filed under the rules of the SEC);

(d) the 2022 Proxy Statement of BAC pursuant to Section 14(a) of the Exchange Act dated 7 March 2022 (the "**2022 BAC Proxy Statement**"), and filed with the SEC on 7 March 2022 (the "**BAC 2022 Proxy**");

(e) MLBV's audited financial statements as at and for the year ended 31 December 2020 together with the accompanying notes thereto and the auditor's report dated 30 April 2021 thereon (the "**MLBV 2020 Accounts**") and as at and for the year ended 31 December 2021 together with the accompanying notes thereto and the auditor's report dated 29 April 2022 thereon (the "**MLBV 2021 Accounts**");

(f) MLICo.'s audited financial statements as at and for the year ended 31 December 2020 together with the accompanying notes thereto and the auditor's report dated 30 April 2021 thereon (the "**MLICo. 2020 Accounts**") and as at and for the year ended 31 December 2021 together with the accompanying notes thereto and the auditor's report dated 29 April 2022 thereon (the "**MLICo. 2021 Accounts**");

(g) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 15 September 2009 and prior to 22 June 2010 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the 2009 Note Conditions apply, the form of final terms of the Notes (the "**2009 Note Final Terms**") on pages 74 to 112 of the base prospectus of Merrill Lynch S.A. ("**MLSA**") and MLICo. dated 15 September 2009 (the "**2009 Base Prospectus**"), the terms and conditions of the Notes on pages 113 to 140 of the 2009 Base Prospectus (the "**2009 Note Conditions**"), the annexes on pages 227 to 347 of the 2009 Base Prospectus (the "**2009 Annexes**") and the form of guarantee on pages 348 to 349 of the 2009 Base Prospectus (the "**2009 Form of Guarantee**");

(h) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 22 June 2010 and prior to 22 June 2011 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the 2010 Note Conditions apply, the form of final terms of the Notes (the "**2010 Note Final Terms**") on pages 74 to 116 of the base prospectus of MLSA and MLICo. dated 22 June 2010 (the "**2010 Base Prospectus**"), the terms and conditions of the Notes on pages 117 to 145 of the 2010 Base Prospectus (the "**2010 Note Conditions**"), the annexes on pages 238 to 367 of the 2010 Base Prospectus (the "**2010 Annexes**") and the form of guarantee on pages 376 to 378 of the 2010 Base Prospectus (the "**2010 Form of Guarantee**");

(i) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 22 June 2011 and prior to 24 May 2012 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the 2011 Note Conditions apply, the form of final terms of the Notes (the "**2011 Note Final Terms**") on pages 92 to 123 of the base

prospectus of MLSA and MLICo. dated 22 June 2011 (the "**2011 Base Prospectus**"), the terms and conditions of the Notes on pages 124 to 160 of the 2011 Base Prospectus (the "**2011 Note Conditions**"), the annexes on pages 261 to 457 of the 2011 Base Prospectus (the "**2011 Annexes**") and the form of guarantee on pages 458 to 460 of the 2011 Base Prospectus (the "**2011 Form of Guarantee**");

(j) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 24 May 2012 and prior to 9 January 2013 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the 2012 Note Conditions apply, the form of final terms of the Notes (the "**2012 Note Final Terms**") on pages 105 to 139 of the base prospectus of MLSA and MLICo. dated 24 May 2012 (the "**2012 Base Prospectus**"), the terms and conditions of the Notes on pages 140 to 176 of the 2012 Base Prospectus (the "**2012 Note Conditions**"), the annexes on pages 284 to 489 of the 2012 Base Prospectus (the "**2012 Annexes**") and the form of guarantee on pages 494 to 496 of the 2012 Base Prospectus (the "**2012 Form of Guarantee**");

(k) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 9 January 2013 and prior to 15 November 2013 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the January 2013 Note Conditions apply, the form of final terms of the Notes (the "**January 2013 Note Final Terms**") on pages 76 to 111 of the offering circular of MLBV and MLICo. dated 9 January 2013 (the "**January 2013 Offering Circular**"), the terms and conditions of the Notes on pages 112 to 153 of the January 2013 Offering Circular (the "**January 2013 Note Conditions**"), the annexes on pages 263 to 492 of the January 2013 Offering Circular (the "**January 2013 Annexes**") and the form of non-COSI guarantee on pages 497 to 499 of the January 2013 Offering Circular (the "**January 2013 Form of Non-COSI Guarantee**");

(l) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 15 November 2013 and prior to 12 November 2014 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the November 2013 Note Conditions apply, the form of final terms of the Notes (the "**November 2013 Note Final Terms**") on pages 82 to 117 of the offering circular of BAC, MLBV, Merrill Lynch Capital Markets AG ("**MLCMAG**") and MLICo. dated 15 November 2013 (the "**November 2013 Offering Circular**"), the terms and conditions of the Notes on pages 118 to 156 of the November 2013 Offering Circular (the "**November 2013 Note Conditions**"), the annexes on pages 260 to 488 of the November 2013 Offering Circular (the "**November 2013 Annexes**") and the form of non-COSI guarantee on pages 493 to 495 of the November 2013 Offering Circular (the "**November 2013 Form of Non-COSI Guarantee**");

(m) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 12 November 2014 and prior to 11 November 2015 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the November 2014 Note Conditions apply, the form of final terms of the Notes (the "**November 2014 Note Final Terms**") on pages 85 to 121 of the offering circular of BAC, MLBV, MLICo. and MLCMAG dated 12 November 2014 (the "**November 2014 Offering Circular**"), the terms and conditions of the Notes on pages 122 to 162 of the November 2014 Offering Circular (the "**November 2014 Note Conditions**"), the annexes on pages 268 to 519 of the November 2014 Offering Circular (the "**November 2014 Annexes**") and the form of non-COSI guarantee on pages 524 to 526 of the November 2014 Offering Circular (the "**November 2014 Form of Non-COSI Guarantee**");

(n) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 11 November 2015 and prior to 10 May 2016 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the November 2015 Note Conditions apply, the form of final terms of the Notes (the "**November 2015 Note Final Terms**") on pages 108 to 144 of the offering circular of BAC, MLBV and MLICo. dated 11

November 2015 (the "**November 2015 Offering Circular**"), the terms and conditions of the Notes on pages 145 to 185 of the November 2015 Offering Circular (the "**November 2015 Note Conditions**"), the annexes on pages 293 to 609 of the November 2015 Offering Circular (the "**November 2015 Annexes**") and the form of non-COSI guarantee on pages 614 to 616 of the November 2015 Offering Circular (the "**November 2015 Form of Non-COSI Guarantee**");

(o) for the purpose of any issue of Notes by MLBV under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 10 May 2016 and prior to 24 January 2017 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the May 2016 Note Conditions apply, the form of final terms of the Notes (the "**May 2016 Note Final Terms**") on pages 109 to 145 of the offering circular of BAC, MLBV and MLICo. dated 10 May 2016 (the "**May 2016 Offering Circular**"), the terms and conditions of the Notes on pages 146 to 186 of the May 2016 Offering Circular (the "**May 2016 Note Conditions**"), the annexes on pages 296 to 622 of the May 2016 Offering Circular (the "**May 2016 Annexes**") and the form of non-COSI guarantee on pages 627 to 629 of the May 2016 Offering Circular (the "**May 2016 Form of Non-COSI Guarantee**");

(p) for the purpose of any issue of Notes by MLBV or BAC under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 24 January 2017 and prior to 19 May 2017 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the January 2017 Note Conditions apply, the form of final terms of the Notes (the "**January 2017 Note Final Terms**") on pages 116 to 152 of the offering circular of BAC, MLBV and MLICo. dated 24 January 2017 (the "**January 2017 Offering Circular**"), the terms and conditions of the Notes on pages 153 to 194 of the January 2017 Offering Circular (the "**January 2017 Note Conditions**"), the annexes on pages 304 to 630 of the January 2017 Offering Circular (the "**January 2017 Annexes**") and the form of non-COSI guarantee on pages 635 to 637 of the January 2017 Offering Circular (the "**January 2017 Form of Non-COSI Guarantee**");

(q) for the purpose of any issue of Notes by MLBV or BAC under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 19 May 2017 and prior to 18 May 2018 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the May 2017 Note Conditions apply, the form of final terms of the Notes (the "**May 2017 Note Final Terms**") on pages 109 to 145 of the offering circular of BAC, MLBV and MLICo. dated 19 May 2017 (the "**May 2017 Offering Circular**"), the terms and conditions of the Notes on pages 146 to 187 of the May 2017 Offering Circular (the "**May 2017 Note Conditions**"), the annexes on pages 285 to 613 of the May 2017 Offering Circular (the "**May 2017 Annexes**") and the form of guarantee on pages 614 to 616 of the May 2017 Offering Circular (the "**May 2017 Form of Guarantee**");

(r) for the purpose of any issue of Notes by MLBV or BAC under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 18 May 2018 and prior to 16 May 2019 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the May 2018 Note Conditions apply, the form of final terms of the Notes (the "**May 2018 Note Final Terms**") on pages 194 to 233 of the offering circular of BAC, MLBV and MLICo. dated 18 May 2018 (the "**May 2018 Offering Circular**"), the terms and conditions of the Notes on pages 150 to 192 of the May 2018 Offering Circular (the "**May 2018 Note Conditions**"), the annexes on pages 290 to 594 of the May 2018 Offering Circular (the "**May 2018 Annexes**") and the form of guarantee on pages 621 to 623 of the May 2018 Offering Circular (the "**May 2018 Form of Guarantee**");

(s) for the purpose of any issue of W&C Instruments under the Programme which are to be consolidated and form a single series with an existing tranche or series of W&C Instruments issued on or after 18 May 2018 and prior to 16 May 2019 or for the purpose of any other Series of W&C Instruments in respect of which the applicable Final Terms provide that the May 2018 W&C Instruments Conditions apply, the form of final terms of the W&C Instruments (the "**May 2018 W&C Final Terms**") on pages 194 to 233 of the May 2018 Offering Circular, the terms and conditions of the W&C Instruments on pages 234 to 288 of the May 2018 Offering Circular (the "**May 2018 W&C Instruments Conditions**"), the May 2018 Annexes and the May 2018 Form of Guarantee;

(t) for the purpose of any issue of Notes by MLBV, BofA Finance or BAC under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 16 May 2019 and prior to 14 May 2020 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the May 2019 Note Conditions apply, the form of final terms of the Notes (the "**May 2019 Note Final Terms**") on pages 122 to 166 of the Offering Circular of BAC, BofA Finance, MLBV and MLICo. dated 16 May 2019 (the "**May 2019 Offering Circular**"), the terms and conditions of the Notes on pages 167 to 210 of the May 2019 Offering Circular (the "**May 2019 Note Conditions**"), the annexes of pages 354 to 698 of the May 2019 Offering Circular (the "**May 2019 Annexes**") and the form of MLBV/MLICo. guarantee on pages 699 to 702 of the May 2019 Offering Circular (the "**May 2019 Form of MLBV/MLICo. Guarantee**") and the form of BofA Finance guarantee on pages 703 to 705 of the May 2019 Offering Circular (the "**May 2019 Form of BofA Finance Guarantee**");

(u) for the purpose of any issue of W&C Instruments under the Programme which are to be consolidated and form a single series with an existing tranche or series of W&C Instruments issued on or after 16 May 2019 and prior to 14 May 2020 or for the purpose of any other series of W&C Instruments in respect of which applicable Final Terms provide that the May 2019 W&C Instruments Conditions apply, the form of final terms of the W&C Instruments (the "**May 2019 W&C Final Terms**") on pages 263 to 304 of the May 2019 Offering Circular, the terms and conditions of the W&C Instruments on pages 305 to 352 of the May 2019 Offering Circular (the "**May 2019 W&C Instrument Conditions**"), the May 2019 Annexes and the May 2019 Form of MLBV/MLICo. Guarantee;

(v) for the purpose of any issue of Notes by MLBV, BofA Finance or BAC under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 14 May 2020 and prior to 14 May 2021 or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the May 2020 Note Conditions apply, the form of final terms of the Notes (the "**May 2020 Note Final Terms**") on pages 140 to 188 of the Offering Circular of BAC, BofA Finance, MLBV and MLICo. dated 14 May 2020 (the "**May 2020 Offering Circular**"), the terms and conditions of the Notes on pages 189 to 236 of the May 2020 Offering Circular (the "**May 2020 Note Conditions**"), the annexes of pages 379 to 769 of the May 2020 Offering Circular (the "**May 2020 Annexes**") and the form of MLBV/MLICo. guarantee on pages 770 to 773 of the May 2020 Offering Circular (the "**May 2020 Form of MLBV/MLICo. Guarantee**") and the form of BofA Finance guarantee on pages 774 to 776 of the May 2020 Offering Circular (the "**May 2020 Form of BofA Finance Guarantee**");

(w) for the purpose of any issue of W&C Instruments under the Programme which are to be consolidated and form a single series with an existing tranche or series of W&C Instruments issued on or after 14 May 2020 and prior to 14 May 2021 or for the purpose of any other series of W&C Instruments in respect of which applicable Final Terms provide that the May 2020 W&C Instruments Conditions apply, the form of final terms of the W&C Instruments (the "**May 2020 W&C Final Terms**") on pages 289 to 329 of the May 2020 Offering Circular, the terms and conditions of the W&C Instruments on pages 330 to 377 of the May 2020 Offering Circular (the "**May 2020 W&C Instrument Conditions**"), the May 2020 Annexes and the May 2020 Form of MLBV/MLICo. Guarantee;

(x) for the purpose of any issue of Notes by MLBV, BofA Finance or BAC under the Programme which are to be consolidated and form a single series with an existing tranche or series of Notes issued on or after 14 May 2021 and prior to the date of this Offering Circular or for the purpose of any other Series of Notes in respect of which the applicable Final Terms provide that the May 2021 Note Conditions apply, the form of final terms of the Notes (the "**May 2021 Note Final Terms**") on pages 127 to 173 of the Offering Circular of BAC, BofA Finance, MLBV and MLICo. dated 14 May 2021 (the "**May 2021 Offering Circular**"), the terms and conditions of the Notes on pages 174 to 215 of the May 2021 Offering Circular (the "**May 2021 Note Conditions**"), the annexes of pages 357 to 716 of the May 2021 Offering Circular (the "**May 2021 Annexes**") and the form of MLBV/MLICo. guarantee on pages 717 to 720 of the May 2021 Offering Circular (the "**May 2021 Form of MLBV/MLICo. Guarantee**") and the form of BofA Finance guarantee on pages 721 to 723 of the May 2021 Offering Circular (the "**May 2021 Form of BofA Finance Guarantee**"); and

(y) for the purpose of any issue of W&C Instruments under the Programme which are to be consolidated and form a single series with an existing tranche or series of W&C Instruments issued on or after 14 May 2021 and prior to the date of this Offering Circular or for the purpose of any other series of W&C Instruments in respect of which applicable Final Terms provide that the May 2021 W&C Instruments Conditions apply, the form of final terms of the W&C Instruments (the "**May 2021 W&C Final Terms**") on pages 267 to 308 of the May 2021 Offering Circular, the terms and conditions of the W&C Instruments on pages 309 to 355 of the May 2021 Offering Circular (the "**May 2021 W&C Instrument Conditions**"), the May 2021 Annexes and the May 2021 Form of MLBV/MLICo. Guarantee.

To the extent that this Offering Circular is used in connection with an issue or offering of Instruments under the Programme in circumstances where the EU Prospectus Regulation or the UK Prospectus Regulation does not apply, the following documents, which may be produced or issued from time to time after the date hereof, shall upon publication be deemed to form part of this Offering Circular:

(i) BAC's annual report on Form 10-K and proxy statements of BAC filed with the SEC after the date of this Offering Circular; and

(ii) any other reports filed by BAC with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (other than, with respect to these reports, information that is furnished but deemed not to have been filed under the rules of the SEC) and the rules and regulations thereunder subsequent to the date of the financial statements included in the BAC 2021 Annual Report including, without limitation, any quarterly report on Form 10-Q not incorporated by reference into this Offering Circular.

No separate financial statements of BofA Finance are included in the Offering Circular. BofA Finance is not required under applicable United States legislation and regulations thereunder to publish stand-alone financial statements because it is exempt under Rule 3-10 of Regulation S-X from publishing financial statements, and is currently included in the consolidated financial statements of BAC. The Guarantor fully, irrevocably and unconditionally guarantees the payment obligations of BofA Finance on its debt securities, including the Notes as described herein. In addition, BofA Finance is not required to file reports under the Exchange Act with the SEC. As a finance subsidiary, BofA Finance has no operating history or independent operations and is not engaged in and does not propose to engage in any activity other than the issuance, administration and repayment of its debt securities and lending the net proceeds from the sale thereof to the Guarantor and/or its subsidiaries.

Documents Incorporated by Reference Cross-Reference List	***Page Number***
BAC 2021 Annual Report	
Part I	
Item 1. Business	*Pages 2 to 7*
Item 1A. Risk Factors	*Pages 7 to 24*
Item 1B. Unresolved Staff Comments	*Page 24*
Item 2. Properties	*Pages 24*
Item 3. Legal Proceedings	*Page 24*
Item 4. Mine Safety Disclosures	*Page 24*
Part II	
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	*Page 24*
Item 6. [Reserved]	*Page 25*
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	*Pages 25 to 85*
Item 7A. Quantitative and Qualitative Disclosures about Market Risk	*Page 86*
Item 8. Financial Statements and Supplementary Data	*Pages 86 to 170*
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	*Page 171*
Item 9A. Controls and Procedures	*Page 171*
Item 9B. Other Information	*Pages 171-172*
Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	*Page 172*
Part III	
Item 10. Directors, Executive Officers and Corporate Governance	*Pages 172-173*
Item 11. Executive Compensation	*Page 173*
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	*Page 173*
Item 13. Certain Relationships and Related Transactions, and Director Independence	*Page 173*
Item 14. Principal Accounting Fees and Services	*Page 173*
Part IV	
Item 15. Exhibits, Financial Statement Schedules (including all listed)	*Pages 174 to 177*
Item 16. Form 10-K Summary	*Page 177*
Signatures	*Pages 178 to 179*
Exhibit 21. Direct and Indirect Subsidiaries of Bank of America Corporation As of December 31, 2021	*Page 608**
Exhibit 24. Power of Attorney	*Pages 610* to 611**
BAC 31 March 2022 Quarterly Report	
Part I Financial Information	
Item 1. Financial Statements	
Consolidated Statement of Income	*Page 44*
Consolidated Statement of Comprehensive Income	*Page 44*
Consolidated Balance Sheet	*Page 45*
Consolidated Statement of Changes in Shareholders' Equity	*Page 46*
Consolidated Statement of Cash Flows	*Page 47*
Notes to Consolidated Financial Statements	*Page 48*
1 – Summary of Significant Accounting Principles	*Page 48*
2 – Net Interest Income and Noninterest Income	*Page 49*
3 – Derivatives	*Pages 50 to 56*
4 – Securities	*Pages 57 to 59*
5 – Outstanding Loans and Leases and Allowance for Credit Losses	*Pages 60 to 70*
6 – Securitizations and Other Variable Interest Entities	*Pages 70 to 74*

Documents Incorporated by Reference Cross-Reference List	***Page Number***
7 – Goodwill and Intangible Assets	*Page 74*
8 – Leases	*Page 74*
9 – Securities Financing Agreements and Restricted Cash	*Pages 75 to 76*
10 – Commitments and Contingencies	*Pages 76 to 78*
11– Shareholders' Equity	*Page 79*
12 – Accumulated Other Comprehensive Income (Loss)	*Pages 79 to 80*
13- Earnings Per Common Share	*Page 80*
14 – Fair Value Measurements	*Pages 80 to 86*
15 – Fair Value Option	*Pages 86 to 87*
16 – Fair Value of Financial Instruments	*Pages 87 to 88*
17 – Business Segment Information	*Pages 88 to 90*
Glossary	*Pages 91 to 92*
Acronyms	*Page 93*
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	
Executive Summary	*Page 3*
Recent Developments	*Pages 3 to 4*
Financial Highlights	*Pages 4 to 5*
Supplemental Financial Data	*Pages 5 to 8*
Business Segment Operations	*Page 9*
Consumer Banking	*Pages 9 to 11*
Global Wealth & Investment Management	*Pages 12 to 13*
Global Banking	*Pages 14 to 15*
Global Markets	*Pages 16 to 17*
All Other	*Pages 17 to 18*
Managing Risk	*Page 18*
Capital Management	*Pages 18 to 22*
Liquidity Risk	*Pages 22 to 25*
Credit Risk Management	*Page 25*
Consumer Portfolio Credit Risk Management	*Pages 25 to 30*
Commercial Portfolio Credit Risk Management	*Pages 30 to 36*
Non-U.S. Portfolio	*Page 36*
Allowance for Credit Losses	*Pages 37 to 38*
Market Risk Management	*Page 39*
Trading Risk Management	*Pages 39 to 40*
Interest Rate Risk Management for the Banking Book	*Page 41*
Mortgage Banking Risk Management	*Pages 41 to 42*
Climate Risk Management	*Page 42*
Complex Accounting Estimates	*Page 42*
Non-GAAP Reconciliations	*Page 43*
Item 3. Quantitative and Qualitative Disclosures about Market Risk	*Page 43*
Item 4. Controls and Procedures	*Page 43*
Part II Other Information	
Item 1. Legal Proceedings	*Page 94*
Item 1A. Risk Factors	*Page 94*
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	*Page 94*

Documents Incorporated by Reference Cross-Reference List	***Page Number***
Item 6. Exhibits	*Page 95*
Signature	*Page 95*
Exhibit 3.1 Restated Certificate of Incorporation of Bank of America Corporation	*Pages 102* to 359**
Exhibit 3.2 Bylaws of Bank of America Corporation	*Pages 360* to 400**
BAC 4 February 2022 Form 8-K	
Item 8.01. Other Events.	*Page 3**
Signatures	*Page 5**
BAC 27 April 2022 Form 8-K	
Item 5.07. Submission of Matters to a Vote of Security Holders.	*Pages 2* to 3**
Signatures	*Page 4**
2022 BAC Proxy Statement	
Proposal 1: Electing Directors	*Pages 9 to 22*
• *Identifying and Evaluating Director Candidates*	*Pages 10 to 11*
• *Our Director Nominees*	*Pages 12 to 21*
• *Communicating with our Board*	*Page 22*
Corporate Governance	*Pages 23 to 34*
• *Our Board of Directors*	*Page 23*
• *Director Independence*	*Page 23*
• *Independent Board Leadership*	*Pages 24 to 25*
• *Board Evaluation*	*Page 26*
• *Director Education*	*Page 27*
• *CEO and Senior Management Succession Planning*	*Page 28*
• *Board Meetings and Attendance*	*Page 28*
• *Committees and membership*	*Page 29*
• *Board Oversight of Risk*	*Pages 30 to 31*
• *Compensation Governance and Risk Management*	*Pages 32 to 33*
• *Additional Corporate Governance Information*	*Page 34*
Shareholder Engagement	*Pages 35 to 37*
Our ESG leadership	*Pages 38 to 47*
Related Person and Certain Other Transactions	*Page 48*
Stock Ownership of Directors, Executive Officers and Certain Beneficial Owners	*Pages 49 to 50*
Director Compensation	*Pages 51 to 53*
Proposal 2: Approving Our Executive Compensation (An Advisory, Non-Binding "Say on Pay" Resolution)	*Page 54*
Compensation Discussion and Analysis	*Pages 54 to 68*
• *Executive Summary*	*Page 55*
• *Pay evaluation and decision process*	*Page 56*
• *2021 Company, segment performance & individual performance*	*Pages 57 to 62*
• *Compensation Decisions*	*Page 63*
• *Executive Compensation Program Features*	*Pages 64 to 67*
• *Other Compensation Topics*	*Page 68*
Compensation and Human Capital Committee Report	*Page 69*
Executive Compensation	*Pages 70 to 81*
• *Summary Compensation Table*	*Pages 70 to 72*
• *Grants of Plan-Based Awards Table*	*Pages 73 to 75*
• *Year-End Equity Values and Equity Exercised or Vested Table*	*Pages 76 to 77*
• *Pension Benefits Table*	*Page 78*
• *Nonqualified Deferred Compensation Table*	*Page 79*
• *Potential Payments upon Termination or Change in Control*	*Pages 80 to 81*
CEO Pay Ratio	*Page 82*

Documents Incorporated by Reference Cross-Reference List	***Page Number***
Proposal 3: Ratifying the Appointment of Our Independent Registered Public Accounting Firm for 2022	*Page 83*
Audit committee pre-approval policies and procedures	*Page 84*
Audit Committee Report	*Page 84*
Proposal 4: Ratifying the Delaware Exclusive Forum Provision in our Bylaws	*Pages 85 to 86*
Proposals 5-7: Stockholder Proposals	*Pages 87 to 99*
Voting and Other Information	*Pages 100 to 101*
Attending our annual meeting	*Page 102*
Appendix A: Reconciliation of GAAP and Non-GAAP Financial Measures	*Page A-1*
Appendix B: Bylaws amendment	*Page B-1*
MLBV 2020 Accounts	
Director's Report	*Pages 1 to 5*
Statement of Profit or Loss and Other Comprehensive Income	*Page 6*
Statement of Financial Position	*Pages 7 to 8*
Statement of Changes in Equity	*Pages 9 to 10*
Statement of Cash Flows	*Page 11*
Notes to the Financial Statements	*Pages 12 to 48*
Other Information	*Page 49*
Independent Auditor's Report	*Pages 53* to 61**
MLBV 2021 Accounts	
Director's Report	*Pages 1 to 5*
Statement of Profit or Loss and Other Comprehensive Income	*Page 6*
Statement of Financial Position	*Pages 7 to 8*
Statement of Changes in Equity	*Pages 9 to 10*
Statement of Cash Flows	*Page 11*
Notes to the Financial Statements	*Pages 12 to 49*
Other Information	*Page 50*
Independent Auditor's Report	*Pages 54* to 64**
MLICo. 2020 Accounts	
General Partner's Report	*Pages 1 to 3*
Independent Auditor's Report	*Pages 4 to 6*
Statement of Comprehensive Income	*Page 7*
Statement of Financial Position	*Page 8*
Notes to the Financial Statements	*Pages 9 to 37*
MLICo. 2021 Accounts	
General Partner's Report	*Pages 1 to 4*
Independent Auditor's Report	*Pages 5 to 7*
Statement of Comprehensive Income	*Page 8*
Statement of Financial Position	*Page 9*
Statement of Cash Flows	*Page 10*
Notes to the Financial Statements	*Pages 11 to 43*

* These page numbers are references to the PDF pages included in the relevant report.

Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purposes only.

Following publication of this Offering Circular a supplement may be prepared by the Issuers and the Guarantor. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Investors in the Instruments shall be deemed to have notice of all information contained in the documents incorporated by reference into this Offering Circular, as if all such information were included in this Offering Circular. Investors who have not previously reviewed such information should do so in connection with their purchase of Instruments.

The Issuers and (if applicable) the Guarantor will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Instruments, prepare a supplement to this Offering Circular or publish a new offering circular for use in connection with any subsequent issue of Instruments.

OVERVIEW OF THE PROGRAMME

This overview must be read as an introduction to this Offering Circular. Any decision to invest in any Instruments should be based on a consideration of this Offering Circular as a whole, including the documents incorporated by reference.

Words and expressions defined in the "Terms and Conditions of the Notes" or in the "Terms and Conditions of the W&C Instruments", as applicable, and in the remainder of this Offering Circular shall have the same meanings in this overview. BAC and BofA Finance may issue Notes; MLBV may issue Notes, Warrants and Certificates and MLICo. may issue Warrants and Certificates. Notes, Certificates and Warrants are together referred to as "Instruments".

Issuers:	Bank of America Corporation ("**BAC**") BofA Finance LLC ("**BofA Finance**") Merrill Lynch B.V. ("**MLBV**") Merrill Lynch International & Co. C.V. ("**MLICo.**") (acting by its general partner ML Cayman Holdings Inc.) BAC is a Delaware corporation, a bank holding company and a financial holding company. BAC provides a diversified range of banking and nonbank financial services and products worldwide. BofA Finance is a Delaware limited liability company and a direct, wholly-owned finance subsidiary of BAC. Its purpose is to provide BAC and/or BAC's other subsidiaries with financing by issuing debt securities to investors and lending the net proceeds therefrom to BAC and/or those subsidiaries. MLBV is a private limited liability company incorporated under Dutch law. The main activity of MLBV consists of issuing notes, certificates, warrants and other securities to investors, the proceeds of which are loaned to, or placed on deposit with, Group companies. MLICo. is a Curaçao limited partnership, organised under the laws of Curaçao. MLICo. engages primarily in the issuance of warrants, certificates and related financial instruments and the distribution of managed fund products.
Guarantor (in respect of Notes issued by BofA Finance and Instruments (other than Secured Instruments) issued by MLBV and MLICo.):	Bank of America Corporation (in such capacity, the "**Guarantor**")
Description:	Note, Warrant and Certificate Programme
Guarantees:	The payment obligations under the Notes issued by BofA Finance are unconditionally and irrevocably guaranteed by the Guarantor upon and subject to the terms set out in the BofA Finance Guarantee. The payment and non-cash delivery obligations under the Instruments issued by MLBV and MLICo. (other than Secured Instruments) are unconditionally and irrevocably guaranteed by the Guarantor upon and subject to the terms set out in the MLBV/MLICo. Guarantee.

Calculation Agent:	Merrill Lynch International, BofA Securities Europe SA or such other calculation agent specified in the applicable Final Terms.
Arranger:	Merrill Lynch International
In respect of Notes:	
Issuers:	BAC BofA Finance MLBV
Dealers:	BofA Securities Europe SA Merrill Lynch International Notes may also be issued to other dealers and third parties.
Maximum nominal amount of Notes which may be issued:	MLBV may issue up to €15,000,000,000 (or its equivalent in other currencies) under this Programme and its other structured products programmes. BAC may issue up to U.S.$8,000,000,000 (or its equivalent in other currencies) under this Programme and certain other BAC international securities programmes and platforms. BofA Finance may issue up to U.S.$3,000,000,000 (or its equivalent in other currencies) under this Programme.
Principal Paying Agent:	Bank of America, N.A. (operating through its London Branch)
Registrar:	Bank of America Europe DAC
Issue Price:	Notes may be issued on a fully-paid or partly-paid basis at an issue price which is at par or a discount to, or a premium over, par. The issue price will be specified in the applicable Final Terms.
Terms of Notes:	Notes issued by MLBV and BofA Finance may be denominated in any currency specified in the applicable Final Terms with any agreed maturity, subject to compliance with all applicable legal and/or regulatory restrictions. Notes issued by BAC may be denominated in any currency specified in the applicable Final Terms with an original maturity date of not less than 365 days (one year), subject to compliance with all applicable legal and/or regulatory restrictions. Notes may: (i) bear interest at a fixed or floating rate; (ii) not bear interest; (iii) have an interest amount or rate and/or a redemption amount determined or calculated by reference to one or more underlying assets or bases of reference such as indices (including equity, bond, commodity or inflation indices), currency exchange rates, shares, GDRs or ADRs, fund shares or units, commodities or the credit of one or more underlying entities (each such underlying asset or basis of reference, a "**Reference Item**" and any Reference Item linked Notes, "**Reference Item Linked Notes**"); (iv) reference any combination of the foregoing; (v) (other than in respect of Notes issued by BofA Finance) be redeemed by physical delivery ("**Physical Delivery Notes**") of specified asset(s); (vi) (in respect of Notes issued by MLBV only) be cash settled

exchangeable Notes and/or (vii) have such other terms and conditions as specified in the applicable Final Terms.

Interest periods, interest rates and the terms of and/or amounts payable on redemption will be specified in the applicable Final Terms.

The applicable Final Terms will indicate either that the relevant Notes may not be redeemed prior to their stated maturity (other than in specified instalments (if applicable), for taxation reasons, following an Event of Default and acceleration of the Notes, or (if applicable) following an Additional Disruption Event), or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders. The redemption of any BAC Note that is long-term debt satisfying certain eligibility criteria ("**eligible LTD**") under the final total loss-absorbing capacity rules of the U.S. Board of Governors of the Federal Reserve System (the "**Federal Reserve Board**") will require the prior approval of the Federal Reserve Board if after such redemption BAC would fail to satisfy its requirements as to eligible LTD or total loss-absorbing capacity under such rules.

Settlement: Settlement may be by way of cash payment ("**Cash Settled**") or, if specified in the applicable Final Terms and other than in respect of Notes issued by BofA Finance physical delivery ("**Physical Delivery**"). Rule 144A Notes that are also Secured Notes and Exchangeable Notes will be Cash Settled only. In respect of Physical Delivery Notes, in order to receive the relevant asset(s), a Noteholder must deliver an Asset Transfer Notice on or prior to a specified cut-off time, which may include certain representations and certifications of the relevant parties, and pay all taxes, duties and/or expenses arising from delivery of the relevant assets. For certain Physical Delivery Notes, if certain disruption events occur on settlement, the relevant settlement date may be postponed and in certain circumstances the relevant Issuer will be entitled to make payment of a cash amount in lieu of physical delivery.

The MLBV/MLICo. Guarantee provides that, in the case of Physical Delivery Notes issued by MLBV, the Guarantor will have the right to elect not to make physical delivery of the Entitlement, but rather to pay the Guaranteed Cash Settlement Amount as specified in the applicable Final Terms.

Negative Pledge: None

Cross Default: None

Events of Default: Terms of the Notes contain, among others, events of default covering non-payment or non-delivery (if applicable) and relating to the insolvency of the relevant Issuer.

Taxation: The relevant Issuer or the Guarantor (if applicable) will, subject to certain limitations and exceptions (set forth in Condition 9 of the "Terms and Conditions of the Notes"), pay to Noteholders who are United States Aliens or (in the case of Notes issued by MLBV) a Netherlands Non-resident (each as defined in Condition 9 of the "Terms and Conditions of the Notes") such additional amounts as may be necessary so that every net payment of principal or interest or other amount with respect to the Notes or (in the case of Notes issued by BofA Finance or MLBV) the relevant Guarantee after deduction or withholding for or on account of any present or future

tax, assessment or other governmental charge imposed upon such Noteholders or by reason of the making of such payment, by the United States or the Netherlands (as applicable) or any political subdivision or taxing authority of or in the United States or the Netherlands (as applicable), as the case may be, will not be less than the amount provided for in the Notes or the relevant Guarantee (as applicable) to be then due and payable, except as provided in Condition 9 of the "Terms and Conditions of the Notes".

In respect of W&C Instruments:

Issuers:	MLBV MLICo.
Dealers:	BofA Securities Europe SA Merrill Lynch International W&C Instruments may also be issued to other dealers and third parties.
Principal Instrument Agent:	Bank of America, N.A. (operating through its London Branch)
Registrar:	Bank of America Europe DAC
Issue Price:	W&C Instruments may be issued at such price as shall be determined by the relevant Issuer or Dealer appointed in respect of the issue. The issue price will be specified in the applicable Final Terms.
Terms of W&C Instruments:	MLBV and MLICo. may from time to time issue Warrants and Certificates. The terms of any issue of W&C Instruments may be linked to one or more underlying assets or bases of reference such as indices (including equity, bond, commodity or inflation indices), currency exchange rates, shares, GDRs or ADRs, fund shares or units, commodities or the credit of one or more underlying entities (each such underlying asset or basis of reference, a "**Reference Item**" and any Reference Item linked W&C Instruments, "**Reference Item Linked W&C Instruments**" and, together with any Reference Item Linked Notes, "**Reference Item Linked Instruments**") or any combination of the foregoing and W&C Instruments may be issued on such terms as may be determined by the relevant Issuer and specified in the applicable Final Terms. W&C Instruments may or may not pay additional amounts as specified in the applicable Final Terms.
Settlement:	W&C Instruments may be Cash Settled or, if specified in the applicable Final Terms, settlement may be by way of physical delivery. Rule 144A W&C Instruments that are also Secured Instruments will be Cash Settled only. Any W&C Instruments which are settled by way of physical delivery may be subject to representations and certifications as set out in the applicable Exercise Notice or Collection Notice. For certain Physical Delivery W&C Instruments, if certain disruption events occur on settlement, the relevant settlement date may be postponed and in certain circumstances the relevant Issuer will be entitled to make payment of a cash amount in lieu of physical delivery.

	The MLBV/MLICo. Guarantee provides that, in the case of Physical Delivery W&C Instruments, the Guarantor will have the right to elect not to make physical delivery of the Entitlement, but rather to pay the Guaranteed Cash Settlement Amount as specified in the applicable Final Terms.
Exercise Rights:	European Style Warrants are only exercisable on the Exercise Date. American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period. The applicable Final Terms will specify whether or not Warrants will be automatically exercised. The applicable Final Terms will specify if Warrants may be automatically exercised early (as a result of an Issuer Call, a mandatory early exercise or a Holder put). Certificates will be automatically exercised on the Exercise Date. In the case of Physical Delivery Certificates in order to receive the Entitlement in respect of a Certificate, the Holder must deliver a Collection Notice prior to a specified cut-off time and pay all taxes, duties and/or expenses arising from such delivery. The applicable Final Terms will specify if the Exercise Date for Certificates may be brought forward (as a result of an Issuer Call, a mandatory early exercise or a Holder put).
Expenses and Taxation:	A holder of a W&C Instrument must pay all taxes, duties and/or expenses arising from the exercise and settlement of such W&C Instrument and/or if applicable, delivery of the Entitlement. The relevant Issuer shall not be liable for tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any W&C Instrument and all payments will be made subject to any such tax, duty, withholding or other payment.
Secured Instruments	
Secured Notes and Secured W&C Instruments:	Secured Instruments will be issued by MLBV and MLICo. and will be secured by a segregated pool of collateral assets (the "**Collateral Assets**") provided by Merrill Lynch International in its capacity as collateral provider (the "**Secured Instruments Collateral Provider**"). For a further overview of Secured Instruments, see "Description of the Collateral Arrangements Relating to Secured Instruments". The Secured Instruments will not be guaranteed by the Guarantor.
Reference Item Linked Instruments	
Index Linked Instruments (including Instruments linked to Index-Linked Futures Contracts):	Amounts payable in respect of Index Linked Instruments will be calculated by reference to one or more Indices. The Index may reference or be comprised of equities, bonds, property, currency exchange rates or other assets or bases of reference. If "Physical Settlement" is specified as applicable to the Index Linked Conditions in the relevant Final Terms, Index Linked Instruments may also provide for settlement by physical delivery of a specified amount of units, interests or shares of one or more Exchange Traded Funds (ETFs), subject to payment of the relevant

Exercise Price (in case of Warrants) and any other amounts payable.

Index Linked Instruments may be subject to early redemption or cancellation, as applicable, or adjustment if an Index is modified or cancelled and there is no successor index acceptable to the Calculation Agent, if the Index's Sponsor fails to calculate and announce the Index, if the Index or its administrator is not authorised under applicable law with the effect that the Issuer, the Calculation Agent or any affiliate engaged in hedging transactions is not permitted to use the Index, if certain market disruption events occur, or if certain events (such as illegality, disruptions or cost increases) occur with respect to the relevant Issuer's and/or any Affiliate's hedging arrangements.

If certain disruption events occur with respect to valuation of an Index, such valuation may be postponed and/or may be made by the Calculation Agent. Payments may also be postponed.

If specified in the applicable Final Terms, amounts payable (or assets that are deliverable) in respect of the Instruments will be calculated by reference to an Index-Linked Futures Contract for an Index specified in the applicable Final Terms as an "Applicable Index". An Applicable Index may reference or be comprised of equities, bonds, property, currency exchange rates or other assets or bases of reference.

Share Linked Instruments: Amounts payable in respect of Share Linked Instruments will be calculated by reference to a single Share or basket of Shares. Share Linked Instruments may also provide for settlement by physical delivery of a specified amount of Shares of one or more companies, subject to payment of the Exercise Price (in case of Warrants) and any other amounts payable.

Share Linked Instruments may, at the discretion of the relevant Issuer, be subject to early redemption or cancellation, as applicable, or adjustment (including valuation and in certain circumstances Share substitutions) if certain corporate events (such as events affecting the value of a Share (including Share divisions or consolidations, extraordinary dividends and capital calls), de-listing of a Share, insolvency, merger or nationalisation of a Share issuer, a tender offer or redenomination of a Share) occur, if certain events (such as illegality, disruptions or cost increases) occur with respect to the relevant Issuer's and/or any Affiliate's hedging arrangements, or if insolvency filings are made with respect to a Share issuer.

If certain disruption events occur with respect to valuation of a Share, such valuation may be postponed and/or may be made by the Calculation Agent. Payments may also be postponed.

GDR/ADR Linked Instruments: Amounts payable in respect of GDR/ADR Linked Instruments will be calculated by reference to a single global depositary receipt ("**GDR**") or American depositary receipt ("**ADR**") or a basket of GDRs and/or ADRs. GDR/ADR Linked Instruments may also provide for settlement by physical delivery of a specified amount of GDRs and/or ADRs subject to payment of the relevant Exercise Price (in the case of Warrants) and any other amounts payable.

GDR/ADR Linked Instruments may, at the discretion of the relevant Issuer, be subject to early redemption or cancellation, as

applicable, or adjustment (including valuation and in certain circumstances GDR/ADR substitutions) if certain corporate events (such as events affecting the value of a GDR and/or ADR (including GDR, ADR or underlying share divisions or consolidations, extraordinary dividends and capital calls), de-listing of a GDR, ADR or underlying share, insolvency, merger or nationalisation of an underlying share issuer, a tender offer or redenomination of a GDR, ADR and/or underlying share) occur, if certain events (such as illegality, disruptions or cost increases) occur with respect to the relevant Issuer's and/or any Affiliate's hedging arrangements, or if insolvency filings are made with respect to an underlying share issuer.

FX Linked Instruments: Amounts payable in respect of FX Linked Instruments will be calculated by reference to the rate of exchange of a single currency or basket of currencies. FX Linked Instruments may also provide for settlement by physical delivery of a specified amount of the relevant currencies, subject to payment of the relevant Exercise Price (in the case of Warrants) and any other amounts payable.

If certain disruption events occur with respect to a rate of exchange of a single currency or basket of currencies, such valuation may be postponed and/or may be made by the Calculation Agent.

Commodity Linked Instruments: Amounts payable in respect of Commodity Linked Instruments will be calculated by reference to a single Commodity and/or Commodity Index or basket of Commodities and/or Commodity Indices. Commodity Linked Instruments may also provide for settlement by physical delivery of a specified amount of Commodities, subject to payment of the relevant Exercise Price (in the case of Warrants) and any other amounts payable.

If certain disruption events occur with respect to valuation of a Commodity or futures or options contracts relating to such Commodity, such valuation may be postponed and/or may be made by the Calculation Agent. Commodity Linked Instruments linked to a Commodity Index may be subject to adjustment if the Commodity Index is modified or cancelled and there is no successor acceptable to the Calculation Agent, if the Commodity Index's sponsor fails to calculate and announce the index or if the Commodity Index or its administrator is not authorised under applicable law with the effect that the Issuer, the Calculation Agent or any affiliate engaged in hedging transactions is not permitted to use the Commodity Index.

Fund Linked Instruments: Amounts payable in respect of Fund Linked Instruments will be calculated by reference to units, interests or shares in a single Fund or basket of Funds. Fund Linked Instruments may also provide for settlement by physical delivery of a specified amount of units, interests or shares of one or more Funds, subject to payment of the relevant Exercise Price (in the case of Warrants) and any other amounts payable.

Fund Linked Instruments may, at the discretion of the relevant Issuer, be subject to early redemption or cancellation, as applicable, or adjustment (including as to valuations and fund substitutions) if certain corporate events (such as insolvency (or an analogous event) or nationalisation of a Fund; litigation against, or regulatory events occurring with respect to, a Fund; suspensions of Fund subscriptions or redemptions; certain changes in net asset value or violations of leverage restrictions of a Fund; Fund

reporting disruptions; or modifications to the investment objectives or changes in the nature or administration of a Fund) occur, if certain valuation or settlement disruption events occur with respect to a Fund, or if certain events (such as illegality, disruptions or cost increases) occur with respect to the relevant Issuer's and/or any Affiliate's hedging arrangements.

Fund Linked Instruments linked to Exchange Traded Funds may be subject to early redemption or cancellation, as applicable, or adjustment (including as to valuation) if certain corporate events (such as events affecting the value of a Fund Share including share divisions or consolidation, de-listing of a Fund Share, insolvency, merger or nationalisation of a Fund Share issuer, or a tender offer of a Fund Share) or modifications of its investment objectives occur or if certain events occur with respect to the relevant Issuer's and/or Affiliate's hedging arrangements.

If certain disruption events occur with respect to valuation of a Fund Share in respect of an Exchange Traded Fund, such valuation may be postponed and/or may be made by the Calculation Agent. Payments may also be postponed.

Inflation Linked Instruments: Amounts payable in respect of Inflation Linked Instruments will be calculated by reference to a single Inflation Index or basket of Inflation Indices.

Inflation Linked Instruments may be subject to early redemption or cancellation, as applicable, and/or adjustment if an Inflation Index is modified or cancelled and there is no successor index acceptable to the Calculation Agent, or if the Inflation Index Sponsor fails to calculate and announce the Index.

Credit Linked Instruments: Amounts payable and/or deliverable in respect of Credit Linked Instruments will be calculated by reference to the credit of a specified entity or entities.

If an Event Determination Date occurs during the Notice Delivery Period, the Credit Linked Instruments will be redeemed or cancelled, as the case may be, and the relevant Issuer will: (a) where "Auction Settlement" is specified as being applicable in the Final Terms and subject to the occurrence of a Fallback Settlement Event, pay the Auction Settlement Amount, (b) if "Cash Settlement" is specified in the applicable Final Terms or a Fallback Settlement Event has occurred and the Fallback Settlement Method is Cash Settlement, pay the Credit Event Redemption Amount or (c) if "Physical Settlement" is specified as being applicable in the Final Terms or a Fallback Settlement Event has occurred and the Fallback Settlement Method is Physical Settlement, deliver the Deliverable Obligations comprising the Entitlement.

Saudi Share Linked Warrants: Amounts payable in respect of Saudi Share Linked Warrants will be calculated by reference to the notional liquidation by a Hypothetical Dealer of a Hedge Position corresponding to a single Share or basket of Shares listed on the Saudi Stock Exchange (*Tadawul*) during the relevant Execution Period commencing on the Valuation Date.

Saudi Share Linked Warrants may, at the discretion of the relevant Issuer, be subject to early settlement or cancellation, as applicable, or adjustment (including valuation and in certain circumstances Share substitutions) if certain corporate events (such as events

affecting the value of a Share (including Share divisions or consolidations, extraordinary dividends and capital calls), de-listing of a Share, insolvency, merger or nationalisation of a Share issuer, a tender offer or redenomination of a Share) occur, if certain events (such as illegality, any disruptions, cost increases, or Saudi Arabian-specific regulatory or other events) occur with respect to the relevant Issuer's and/or any Affiliate's hedging arrangements, or if insolvency filings are made with respect to a Share issuer.

Preference Share Linked Notes: Amounts payable in respect of Preference Share Linked Notes will be calculated by reference to Preference Shares issued by the Preference Share Issuer. Preference Share Linked Notes may not be settled by physical delivery of any Preference Shares.

If "Mandatory Early Redemption" is specified as "Applicable" in the applicable Final Terms and the Calculation Agent determines that an automatic early redemption event has occurred under the terms and conditions of the Preference Shares, the Preference Share Linked Notes shall be subject to mandatory early redemption.

Preference Share Linked Notes may, at the discretion of the relevant Issuer, be subject to early redemption if certain corporate events occur (such as merger, nationalisation or insolvency of the Preference Share Issuer, including the institution of insolvency filings against the Preference Share Issuer), if there is an adjustment to the terms and conditions of the Preference Shares or amounts or values thereunder in accordance with the terms and conditions of the Preference Shares or if certain events (such as illegality, disruptions or cost increases) occur with respect to the relevant Issuer's and/or any Affiliate's hedging arrangements.

If certain disruption events occur with respect to valuation of a Preference Share, such valuation may be postponed and/or may be made by the Calculation Agent. Payments may also be postponed.

Exchangeable Notes

Exchangeable Notes: Exchangeable Notes will be issued by MLBV and will give Noteholders the right to require MLBV to exchange such Exchangeable Notes during any applicable Exchange Period, subject to the satisfaction of any applicable Exchange Conditions, for a Cash Amount (such amount based on the prevailing volume-weighted average price of the Shares of the reference Company during a specified period following the relevant Exchange Date).

If the Exchange Rights are not exercised by Noteholders during an applicable Exchange Period and/or any applicable Exchange Condition is not satisfied, the Exchangeable Notes will be redeemed at their Final Redemption Amount on the Maturity Date (unless previously redeemed or purchased by MLBV, the Guarantor or any of their respective Affiliates) pursuant to the Exchangeable Note Conditions, which will be calculated by reference to the price of the Shares at the relevant time.

General:

Form and Transfer of Instruments: *Global Instruments and Clearing Systems*

Generally, each Tranche of Instruments will at all times be represented by a global warrant, a global certificate or a global note in registered form (the "**Global Instrument**"), as applicable.

Generally, each Global Instrument which is to be issued into and transferred through accounts at Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") will be deposited on the issue date specified in the applicable Final Terms with: (a) in the case of Instruments (other than Notes intended to be held under the New Safekeeping Structure (the "**NSS**")), a common depositary (the "**Common Depositary**") (which shall at all times be an entity located outside the United Kingdom) for Euroclear and/or Clearstream, Luxembourg or (b) in the case of Notes intended to be held under the NSS for Euroclear, Clearstream, Luxembourg, a common safekeeper (the "**Common Safekeeper**").

Rule 144A Instruments which are to be issued into and transferred through accounts at The Depository Trust Company ("**DTC**" and, together with Euroclear, Clearstream, Luxembourg, the "**Clearing Systems**" and each a "**Clearing System**") will be constituted by a Global Instrument which will be registered in the name of a nominee for DTC and held by the U.S. Paying Agent, U.S. Warrant Agent or U.S. Certificate Agent, as applicable, as custodian for DTC.

CREST Depository Interests

In certain circumstances, investors may also hold interests in the Notes through Euroclear UK & Ireland Limited (formerly CREST Co Limited) ("**CREST**") through the issuance of dematerialised depository interests (i.e. securities without any physical document of title which are distinct from the Notes), held, settled and transferred through CREST (the "**CDIs**"), representing the interests in the relevant Notes underlying the CDIs. CDIs are independent securities constituted under English law and transferred through CREST and will be issued by CREST Depository Limited pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated) (the "**CREST Deed Poll**"). Neither the Notes nor any rights attached to the Notes will be issued, settled, held or transferred within the CREST system other than through the issue, settlement, holding or transfer of CDIs. Holders of CDIs (the "**CDI Holders**") will not be entitled to deal directly in the Notes and, accordingly, all dealings in the Notes will be effected through CREST in relation to the holding of CDIs. You should note that the CDIs are the result of the CREST settlement mechanics and are not the subject of this Offering Circular.

Status of the Instruments:

The Instruments (other than Secured Instruments) issued by MLBV and MLICo. will constitute direct, unsubordinated, unconditional and unsecured obligations of the relevant Issuer and rank equally among themselves and rank equally (subject to such exceptions as are from time to time provided by applicable laws) with all other present and future direct, unsubordinated, unconditional and unsecured indebtedness (in the case of Notes) or obligations (in the case of W&C Instruments) of the relevant Issuer.

The Notes issued by BofA Finance will constitute unsecured and unsubordinated obligations of BofA Finance and will rank equally

in right of payment with all other unsecured and unsubordinated obligations of BofA Finance from time to time outstanding, except obligations that are subject to any priorities or preferences by law. BofA Finance is a finance subsidiary and has no operations other than those related to the issuance, administration and repayment of its debt securities that are guaranteed by BAC. In addition, BofA Finance will have no assets available for distributions to holders of Notes issued by BofA Finance if they make claims in respect of such Notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under BAC's guarantee of such Notes. Holders of Notes issued by BofA Finance will have recourse only to a single claim against BAC and its assets under BAC's guarantee of the Notes, and holders of the Notes should accordingly assume that in any bankruptcy, resolution or similar proceeding, they would not have any priority over, and should be treated equally with, the claims of all other unsecured and unsubordinated obligations of BAC, including claims of holders of unsecured senior debt securities issued by BAC.

The Notes issued by BAC will constitute unsecured and unsubordinated obligations of BAC and will rank equally in right of payment with all of BAC's other unsecured and unsubordinated obligations from time to time outstanding, except obligations, including deposit liabilities, that are subject to priorities or preferences by law.

Because BAC is a holding company, BAC's right to participate in any distribution of assets of any subsidiary upon such subsidiary's liquidation or reorganisation or otherwise is subject to the prior claims of creditors of that subsidiary, except to the extent BAC may itself be recognised as a creditor of that subsidiary. Accordingly, BAC's obligations under its Notes will be structurally subordinated to all existing and future liabilities of its subsidiaries, and claimants should look only to BAC's assets for payments. In addition, the BAC Notes will be unsecured and therefore in a bankruptcy or similar proceeding will effectively rank junior to BAC's secured obligations to the extent of the value of the assets securing such obligations.

The Secured Instruments constitute direct, limited recourse, unsubordinated and secured obligations of MLBV or MLICo., as applicable, and rank equally among themselves.

Status of the Guarantees:

The obligations of the Guarantor under the Guarantees, save for such exceptions as may be provided by applicable laws and regulations or judicial order, will rank *pari passu* in right of payment with its other present and future unsecured and unsubordinated obligations.

Because BAC is a holding company, BAC's right to participate in any distribution of assets of any subsidiary upon such subsidiary's liquidation or reorganisation or otherwise is subject to the prior claims of creditors of that subsidiary, except to the extent BAC may itself be recognised as a creditor of that subsidiary. Accordingly, BAC's obligations under the Guarantees will be structurally subordinated to all existing and future liabilities of its subsidiaries, and claimants should look only to BAC's assets for payments. In addition, the Guarantees will be unsecured and therefore in a bankruptcy or similar proceeding will effectively

	rank junior to BAC's secured obligations to the extent of the value of the assets securing such obligations.
Approval, listing and admission to trading:	Application has been made to the Luxembourg Stock Exchange for Instruments issued under the Programme during the 12 months from the date of this Offering Circular to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market and to be listed on the Official List of the Luxembourg Stock Exchange. Notes may be listed and/or admitted to trading on such other or further exchange(s) and/or market(s) as determined by the relevant Issuer.
Governing Law:	The Instruments issued by MLBV and MLICo., and any non-contractual obligations arising out of or in connection with them, will be governed by, and construed in accordance with, English law. Notes issued by BAC and BofA Finance will be governed by, and construed in accordance with, the laws of the State of New York, United States. Each Guarantee will be governed by, and construed in accordance with, the laws of the State of New York, United States.
Rating:	The Programme has no rating. If any issue of Notes under the Programme is to be rated, the rating of such Notes will be specified in the applicable Final Terms. Any such rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Instruments in the United States, the EEA (including France, Italy, Luxembourg, the Netherlands and Spain), the United Kingdom, Argentina, Austria, Bahamas, Bermuda, Brazil, Cayman Islands, Chile, China, Colombia, Costa Rica, Dominican Republic, El Salvador, Finland, Greece, Guatemala, Guernsey, Honduras, Hong Kong, Israel, Jamaica, Japan, Jersey, Mauritius, Mexico, New Zealand, Nicaragua, Panama, Paraguay, Peru, Philippines, Portugal, Singapore, South Africa, South Korea, St. Kitts and Nevis, Switzerland, Taiwan, Thailand, United Arab Emirates, Uruguay and Venezuela, and such other restrictions as may be required in connection with the offering and sale of a particular Series of Instruments, including the restrictions in connection with the offering and sale of Low Exercise Price Warrants that are linked to a share or an index listed on an exchange in certain jurisdictions including China, Indonesia, Malaysia, Pakistan, Taiwan, Thailand and Vietnam (see "Offering and Sale").
Risk Factors:	In the course of conducting their business operations, BAC and its subsidiaries (together, the "**Group**"), including MLBV, BofA Finance and MLICo., are exposed to a variety of risks, some of which are inherent in the financial services industry and others of which are more specific to their own businesses, and that are material for purposes of assessing the risks associated with investing in the Instruments. See "Risk Factors" for more information regarding these risks.
	POTENTIAL INVESTORS MUST REVIEW THE APPLICABLE FINAL TERMS TO ASCERTAIN WHAT THE RELEVANT REFERENCE ITEM(S) ARE AND TO SEE HOW THE CASH SETTLEMENT AMOUNT, FINAL REDEMPTION AMOUNT OR ENTITLEMENT, AS THE CASE MAY BE, PAYABLE AND/OR DELIVERABLE ON

THE INSTRUMENTS AND ANY INTEREST PAYMENTS (IN THE CASE OF NOTES) OR ANY ADDITIONAL AMOUNT PAYMENTS (IN THE CASE OF W&C INSTRUMENTS) ARE DETERMINED AND WHEN SUCH AMOUNTS ARE PAYABLE AND/OR DELIVERABLE, AS THE CASE MAY BE, BEFORE MAKING ANY DECISION TO PURCHASE ANY INSTRUMENTS.

SUMMARY FOR FINSA PURPOSES

The following summary constitutes a summary within the meaning of articles 40(3) and 43 FinSA which is to be understood as an introduction to this Offering Circular and is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Offering Circular. In particular, investors should carefully consider the discussion of certain risks affecting the Issuers and the Guarantor under the section headed "Risk Factors" and the financial information included and/or incorporated by reference in this Offering Circular before making an investment decision. Investors have to base their investment decision on the information as set out in this Offering Circular in its entirety, including the documents incorporated by reference, and not merely on this summary.

Investors should be aware that pursuant to Article 69 FinSA the liability for the information contained in this summary is limited to instances where such information is misleading, inaccurate or inconsistent when read together with the other parts of the Offering Circular.

Capitalized terms, which are being used in this summary, but are not defined, have the meaning given to them elsewhere in this Offering Circular.

This summary has been prepared and is being provided solely for the purpose of and with respect to Instruments that are publicly offered in Switzerland and that do not fall within an exemption from the prospectus requirements under the ("**Swiss Non-Exempt Public Offers**"). This summary must not be used for any other purpose or in any other context than for which it is prepared and provided. This summary does not apply to, must not be used for or in connection with, and does not constitute, any offer or invitation for subscription of the Instruments to, or any solicitation by, any person in any jurisdiction other than Switzerland.

Issuers:

Bank of America Corporation ("**BAC**")

BAC is a Delaware corporation, a bank holding company and a financial holding company. BAC provides a diversified range of banking and nonbank financial services and products worldwide.

BAC was incorporated on 31 July 1998 (existing until it is dissolved). BAC was initially registered with the State of Delaware, Secretary of State, Division of Corporations on 31 July 1998 under registration number 2927442. BAC's registered office in Delaware is at the Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, United States. BAC's headquarters and principal place of business are located at 100 North Tryon Street, Charlotte, North Carolina 28255, United States.

The LEI in respect of BAC is 9DJT3UXIJIZJI4WXO774.

BofA Finance LLC ("**BofA Finance**")

BofA Finance is a Delaware limited liability company and a direct, wholly-owned finance subsidiary of BAC. Its purpose is to provide BAC and/or BAC's other subsidiaries with financing by issuing debt securities to investors and lending the net proceeds therefrom to BAC and/or those subsidiaries.

BofA Finance was formed on 24 June 2016. BofA Finance exists until it is dissolved and liquidated and its Certificate of Formation is canceled in accordance with Section 18-203 of the Delaware Limited Liability Company Act. BofA Finance is registered with the State of Delaware Secretary of State, Division of Corporations, under registration number 6078455.

BofA Finance's registered office in Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801. BofA Finance's principal executive offices are located in

the Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255, United States.

BofA Finance is not required under applicable United States legislation and regulations thereunder to publish stand-alone financial statements because it is exempt under Rule 3-10 of Regulation S-X from publishing financial statements, and is currently included in the consolidated financial statements of BAC. The Guarantor fully, irrevocably and unconditionally guarantees the payment obligations of BofA Finance on its debt securities, including the Notes as described herein. In addition, BofA Finance is not required to file reports under the Exchange Act with the SEC. As a finance subsidiary, BofA Finance has no operating history or independent operations and is not engaged in and does not propose to engage in any activity other than the issuance, administration and repayment of its debt securities and lending the net proceeds from the sale thereof to the Guarantor and/or its subsidiaries. **BofA Finance is thus not subject to audit and thus it has no auditors that are supervised by a foreign audit oversight authority recognised by the Swiss Federal Council in accordance with Article 8 of the Audit Oversight Act ("AOA") and Annex 2 of the Audit Oversight Ordinance dated 22 August 2007, as amended (the "AOO").**

The LEI in respect of BofA Finance is 549300CGZYSEY3ZSIW16.

Merrill Lynch B.V. ("**MLBV**")

MLBV is a private limited liability company incorporated under Dutch law. The main activity of MLBV consists of issuing notes, certificates, warrants and other securities to investors, the proceeds of which are loaned to, or placed on deposit with, Group companies.

MLBV was incorporated on 12 November 2012 as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law. MLBV continues to exist until it is dissolved and liquidated in accordance with the relevant provision of the Dutch Civil Code.

MLBV's registered office is at Amstelplein 1, Rembrandt Tower, 27th Floor, 1096 HA Amsterdam, the Netherlands and it is registered with the Trade Register of the Dutch Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) in Amsterdam, the Netherlands, under number 56457103.

The LEI in respect of MLBV is 549300RQ1D1WIE085245.

Merrill Lynch International & Co. C.V. ("**MLICo.**") (acting by its general partner ML Cayman Holdings Inc.)

MLICo. is a Curaçao limited partnership of unlimited duration, organised under the laws of Curaçao. ML Cayman Holdings Inc. is acting as its general partner. MLICo. engages primarily in the issuance of warrants, certificates and related financial instruments and the distribution of managed fund products.

MLICo. is organised under the laws of Curaçao which commenced operation on 1 August 1975 and was registered on 1 August 1975

under registered number 11705 in the Commercial Register of the Chamber of Commerce and Industry in Curaçao.

MLICo.'s registered office is at Kaya W.F.G. (Jombi) Mensing 36, Curaçao.

The LEI in respect of MLICo. is AHYI0DDQ2LCHPGHJC422.

Guarantor: **Bank of America Corporation**

(*in respect of Notes issued by BofA Finance and Instruments (other than Secured Instruments) issued by MLBV and MLICo.*)

Secured Instruments Collateral Provider: **Merrill Lynch International** ("**MLI**")

(*solely with respect to the segregated pool of collateral assets provided in its capacity as Secured Instruments Collateral Provider relating to Secured Instruments*).

MLI is a private unlimited company incorporated under English law. MLI's principal activities are to provide a wide range of financial services to international clients in Europe, the Middle East and Africa, Asia Pacific and the Americas, to act as a broker dealer in financial instruments and to provide corporate finance advisory services. MLI also provides a number of post trade related services to third party clients, including settlement and clearing services to third party clients. MLI is authorised by the Prudential Regulation Authority ("**PRA**") and regulated by both the PRA and the Financial Conduct Authority ("**FCA**"). MLI was incorporated on 2 November 1988 as a private unlimited company under English law. MLI's articles of association do not include any limitations on the duration of the company.

MLI's registered office is at King Edward Street, London, EC1A 1HQ, United Kingdom and it is registered with the UK Companies House, under number 2312079.

The LEI in respect of MLI is GGDZP1UYGU9STUHRDP48.

Description of Instruments The Instruments issued under the Offering Circular and publicly offered in Switzerland constitute investment products and leverage products pursuant to the categorization of the Swiss Structured Products Association SSPA.

The type of product categories and products features described below and elsewhere in this Offering Circular are based on the categories and additional product features used in the "SSPA Swiss Derivatives Map 2022" issued by the Swiss Structured Products Association ("**SSPA**") (see https://www.sspa.ch/en). The product categories and products features are not universal and, in different markets and jurisdictions, different products categories and product features may be used for the same product.

Each Instrument issued under this Offering Circular will be linked to one or more underlying assets, which may be a share or a depositary receipt, a share index, a commodity, a commodity index, a foreign exchange rate, a fund (regulated or unregulated, mutual, exchange traded tracker or hedge), the credit of a specified entity or entities, a consumer price or other inflation index, an interest rate, or constant maturity swap rate or any other rate, a loan or bond or other debt obligation or certificate, a basket of the above or any combination of any of the above or other types of reference

asset(s) (each an "**Underlying Asset**" and together, the "**Underlying Assets**"). The performance of the Instruments will depend to some degree on the performance of such Underlying Asset.

Type of Instruments

The main categories of Instruments that may be issued under this Offering Circular are described in the following. The Issuers are free to modify the Instruments issued under this Offering Circular by adding additional product features. Additional information on the Instruments, including a description of the particular Instruments will be included in the relevant Final Terms.

Capital Protection Products (SSPA Category 11)

- Capital Protection Note with Participation (SSPA Category 1100)
- Capital Protection Note with Barrier (SSPA Category 1130)
- Capital Protection Note with Twin-Win (SSPA Category 1135)
- Capital Protection Note with Coupon (SSPA Category 1140)

Yield Enhancement Products (SSPA Category 12)

- Discount Certificate (SSPA Category 1200)
- Barrier Discount Certificate (SSPA Category 1210)
- Reverse Convertible (SSPA Category 1220)
- Barrier Reverse Convertible (SSPA Category 1230)
- Conditional Coupon Reverse Convertible (SSPA Category 1255)
- Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Participation Products (SSPA Category 13)

- Tracker Certificate (SSPA Category 1300)
- Outperformance Certificate (SSPA Category 1310)
- Bonus Certificate (SSPA Category 1320)
- Bonus Outperformance Certificate (SSPA Category 1330)
- Twin-Win Certificate (SSPA Category 1340)

Investment Products with Additional Credit Risk ((SSPA Category 14)

- Credit Linked Notes (SSPA Category 1400)
- Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)
- Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)

- Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Leverage Products (SSPA Category 20)

- Warrant (SSPA Category 2100)
- Spread Warrant (SSPA Category 2110)
- Warrant with Knock-Out (SSPA Category 2200)
- Mini-Future (SSPA Category 2210)
- Constant Leverage Certificate (SSPA Category 2300)

Key Information on the Instruments

The key information on the Instruments for a specific public offer of Instruments in Switzerland will be set out in the relevant Final Terms.

The relevant Final Terms for such Instruments will be filed with the Swiss Review Body and published in accordance with the FinSA as soon as the Final Terms for such Instrument are available. Such Final Terms are not subject to review or approval by the Swiss Review Body.

Key Information on the Public Offer

The key information on a specific public offer or a specific admission to trading of the Securities in Switzerland will be set out in the relevant Final Terms.

The Instruments will not be admitted to trading on any trading venue in Switzerland.

Approval of Offering Circular

This Offering Circular has been approved as a base prospectus on 13 May 2022 by SER in its capacity as review body pursuant to Article 52 of the FinSA.

RISK FACTORS

An investment in the Instruments involves substantial risks and is a riskier investment than an investment in ordinary debt or equity securities. The Instruments are not equivalent to investing directly in the Reference Items (if any).

Each of BAC (in its capacity as Issuer and in its capacity as Guarantor, with respect with respect to Instruments other than Secured Instruments), BofA Finance, MLBV and MLICo. believes that the following factors may affect its ability to fulfil its obligations in respect of its relevant Instruments issued under the Programme and/or are material for the purpose of assessing the market risks associated with its Instruments issued under the Programme. All of these factors are contingencies which may or may not occur, and none of BAC, BofA Finance, MLBV and MLICo. is in a position to express a view on the likelihood of any such contingency occurring.

*Each of BAC (in its capacity as Issuer and in its capacity as Guarantor, with respect to Instruments other than Secured Instruments), BofA Finance, MLBV and MLICo. believes that the factors described below represent the principal risks inherent in investing in the relevant Instruments issued under the Programme, but the inability of the relevant Issuer or the Guarantor (if applicable) to pay any cash amounts in connection with any cash settled instruments ("**Cash Settled Instruments**") or to deliver the Entitlement in connection with any physical delivery instruments ("**Physical Delivery Instruments**") may occur for other reasons, and none of the Issuers nor the Guarantor represents that the statements below regarding the risks of holding any such Instruments are exhaustive. Additional risks and uncertainties not presently known to any of BAC (in its capacity as Issuer and in its capacity as Guarantor, with respect to Instruments other than Secured Instruments), BofA Finance, or MLBV or MLICo. or that any of BAC (in its capacity as Issuer and in its capacity as Guarantor, with respect to Instruments other than Secured Instruments), BofA Finance, or MLBV or MLICo. currently believes to be immaterial could also have a material impact on its business operations or the relevant Instruments. The Final Terms in respect of an issue of Instruments may contain additional Risk Factors in respect of such Instruments. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.*

*Terms used in this section and not otherwise defined shall have the meanings given to them in the "Terms and Conditions of the Notes", the "Terms and Conditions of the Cash Settled Exchangeable Notes" or the "Terms and Conditions of the W&C Instruments", as applicable (together the "**Conditions**" and references herein to "**relevant Conditions**" shall be construed accordingly).*

Organisation of the Risk Factors

1. **Risk Factors Relating to the Relevant Issuer's and (with respect to Instruments other than Secured Instruments) the Guarantor's Ability to Fulfil Their Respective Obligations Under the Relevant Instruments**
2. **Risk Factors Relating to BAC and the Group and to the Group's Businesses and Industry**
3. **Risks Relating to the Instruments Generally**
4. **Risks Relating to Notes**
5. **Risks Relating to Exchangeable Notes**
6. **Risks Relating to W&C Instruments**
7. **Risks Relating to Warrants**
8. **Risks Relating to the Market Generally**
9. **Risks Relating to the Structure of a Particular Issue of Instruments**
   - (a) General risks relating to Reference Item Linked Instruments
   - (b) Risks associated with baskets comprised of various components as Reference Items
   - (c) Risks relating to Instruments linked to certain Reference Item(s)
     - (i) Risks relating to Index Linked Instruments
     - (ii) Risks relating to Share Linked Instruments
     - (iii) Risks relating to GDR/ADR Linked Instruments
     - (iv) Risks relating to FX Linked Instruments and other Instruments in respect of which "Exchange Rate" is specified to be applicable
     - (v) Risks relating to Commodity Linked Instruments
     - (vi) Risks relating to Fund Linked Instruments
     - (vii) Risks relating to Inflation Linked Instruments

(viii) Risks relating to Credit Linked Instruments
(ix) Risks relating to Saudi Share Linked Warrants
(x) Risks relating to Secured Instruments
(xi) Risks relating to Preference Share Linked Notes

10. Risks Relating to Floating Rate Notes

(a) Risks Relating to Floating Rate Notes and Notes That Bear Interest by Reference to a Reference Rate or SOFR, SONIA or TONA
(b) Risks relating to BBSW Notes
(c) Risks relating to TORF Notes
(d) Risks relating to the Applicable RFRs Generally
(e) Risks relating to TONA Notes
(f) Risks relating to SOFR Notes
(g) Risks Relating to Swap Rate Notes
(i) Risks Relating to RFR Swap Rate Notes
(ii) Risks Relating to ICE Swap Rate Notes
(iii) Risks Relating to TONA TSR Notes
(iv) Risks Relating to EUR ICE Swap Rate Notes
(v) Risks Relating to KRW CMS Rate Notes
(vi) Risks Relating to Specified CMS Rate Notes
(vii) Risk Relating to Swap Rate Notes
(h) Risks relating to Notes for Which Compounded Daily Is Specified in the Applicable Final Terms as the Manner in Which the Rate of Interest Is To Be Determined
(i) Risks relating to General Benchmark Transition Provisions Set Forth in Additional Note Condition 4(a)

1. Risk Factors Relating to the Relevant Issuer's and (with respect to the Instruments other than Secured Instruments) the Guarantor's Ability to Fulfil Their Respective Obligations Under the Relevant Instruments

BAC is the ultimate parent company of the Bank of America group of companies (BAC and its consolidated subsidiaries, the "**Group**"). BofA Finance, MLBV and MLICo. are part of the Group, and, as such, may be affected by uncertain or unfavourable economic, market, legal and other conditions that are likely to affect BAC as a whole.

BofA Finance is a finance vehicle whose principal purpose is to provide BAC and/or BAC's other subsidiaries with financing by issuing debt securities to investors and lending the net proceeds therefrom to BAC and/or those subsidiaries. Each of MLBV and MLICo. is a finance vehicle whose principal purpose is to raise debt or enter into financial contracts to assist the financing activities of such Issuer's affiliates. Accordingly, none of BofA Finance, MLBV or MLICo. has any trading assets or generates any significant net income.

The payment and non-cash delivery obligations under Instruments issued by MLBV and MLICo. (other than in respect of Secured Instruments) under the Programme are guaranteed unconditionally and irrevocably pursuant to the MLBV/MLICo. Guarantee. The payment obligations under the Notes issued by BofA Finance under the Programme are guaranteed unconditionally and irrevocably pursuant to the BofA Finance Guarantee. As a result, if the Guarantor's financial condition were to deteriorate, the value of such Instruments (other than Secured Instruments) may be adversely affected and each of BofA Finance, MLBV and MLICo. and investors in such Instruments (other than Secured Instruments) may suffer direct and materially adverse consequences. Accordingly, prospective investors in such Instruments (other than Secured Instruments) should review, *inter alia*, the factors below regarding BAC, the Group (as defined above) and the Group's businesses and industry, which may affect the relevant Issuer's ability to repay its obligations and BAC's ability to fulfil its obligations under the applicable Guarantee.

Payments on the Instruments are subject to the credit risk of the relevant Issuer and (other than in respect of Secured Instruments) BAC, in its capacity as the Guarantor, and actual or perceived changes in the relevant Issuer's or BAC's creditworthiness are expected to affect the value of the Instruments (other than Secured Instruments).

The amounts payable or deliverable on the Instruments at maturity, redemption, settlement, expiration or exercise are dependent upon the ability of the relevant Issuer and (other than in respect of Secured Instruments) BAC, in its capacity as the Guarantor, to repay (or deliver, as applicable) their respective obligations on the applicable maturity date, redemption date, settlement date, expiration date or exercise date. If the relevant Issuer and (other than in respect of Secured Instruments) BAC, in its capacity as the Guarantor, are not able to fulfil their respective obligations under the Instruments to Holders, investors will be unsecured (other than in respect of Secured Instruments) and will not have the protection of the FDIC, the U.S. Deposit Insurance Fund, the UK Financial Services Compensation Scheme or any other government or governmental agency, or insurance protection scheme in any jurisdiction. In such case, the return on the Instruments (other than Secured Instruments) will be reduced and may be zero. This will be the case even if the value of the Reference Item increases (or decreases, as the case may be) after the pricing date. No assurance can be given as to what the financial condition of the relevant Issuer or (other than in respect of Secured Instruments) BAC, in its capacity as the Guarantor, will be on the applicable maturity date, redemption date, settlement date, expiration date or exercise date. If the relevant Issuer and (other than in respect of Secured Instruments) BAC, in its capacity as Guarantor, become unable to meet their respective obligations under the Instruments at maturity, redemption, settlement, expiration or exercise, investors may not receive the amounts payable or deliverable under the terms of the Instruments.

Furthermore, the value of the Instruments (other than Secured Instruments) is expected to be affected, in part, by investors' general appraisal of the relevant Issuer's or BAC's creditworthiness and actual or anticipated changes in the relevant Issuer's or BAC's credit ratings prior to the maturity date, redemption date, settlement date, expiration date or exercise date may adversely affect the value of the Instruments (other than Secured Instruments). Such perceptions are generally influenced by the ratings accorded to BAC's outstanding securities by standard statistical rating services. A reduction (or anticipated reduction) in the rating, if any, accorded to outstanding debt securities of BAC by one of these rating agencies could result in a reduction in the trading value of the Instruments (other than Secured Instruments). As the return on the Instruments depends upon factors in addition to the ability of the relevant Issuer or (other than in respect of Secured Instruments) BAC, in its capacity as the Guarantor, to pay its respective obligations, an improvement in these credit ratings will not reduce the other investment risks related to such Instruments. A credit rating is not a recommendation to buy, sell, or hold any of the Instruments and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.

BofA Finance is a finance subsidiary and, as such, has no independent assets, operations or revenues

BofA Finance is a finance subsidiary of BAC, has no operations other than those related to the issuance, administration and repayment of its debt securities that are guaranteed by BAC, including the Notes, and is dependent upon BAC and/or BAC's other subsidiaries to meet its obligations under the Notes in the ordinary course. However, BofA Finance will have no assets available for distributions to holders of its Notes if they make claims in respect of such Notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders in respect of such claims in any such proceeding will be limited to those available under BAC's guarantee of such Notes, and any obligations under that guarantee will rank equally in right of payment with all other unsecured and unsubordinated obligations of BAC, except obligations that are subject to any priorities or preferences by law, and senior in right of payment to BAC's subordinated obligations. Holders of the Notes will have recourse only to a single claim against BAC and its assets under BAC's guarantee of the Notes, and holders of the Notes should accordingly assume that in any bankruptcy, resolution or similar proceeding, they would not have priority over, and should be treated equally with, the claims of all other unsecured and unsubordinated obligations of BAC, including claims of holders of unsecured senior debt securities issued by BAC.

2. Risk Factors Relating to BAC and the Group and to the Group's Businesses and Industry

When used in this Offering Circular, and as required by the context, "BAC" may refer to Bank of America Corporation individually, Bank of America Corporation and its consolidated subsidiaries or certain of Bank of America Corporation's subsidiaries or affiliates, individually or collectively.

In the course of conducting its business operations, BAC is exposed to a variety of risks, some of which are inherent in the financial services industry and others of which are more specific to BAC's own businesses. The most significant factors, of which BAC is currently aware, that could affect BAC's businesses, results of operations and financial condition are described in the BAC 2021 Annual Report

under the caption "*Item 1A. Risk Factors*". Additional factors that could affect BAC's businesses, results of operations and financial condition are discussed in the BAC 2021 Annual Report under the heading "*Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the BAC 31 March 2022 Quarterly Report under the heading "*Item 2. Management's Discussion and Analysis of Financial Conditions and Results of Operations*". However, other factors not discussed in the BAC 2021 Annual Report or the BAC 31 March 2022 Quarterly Report could also adversely affect BAC's businesses, results of operations and financial condition. Therefore, the risk factors set forth in the BAC 2021 Annual Report and the BAC 31 March 2022 Quarterly Report should not be considered a complete list of the potential risks that BAC may face.

Any risk factor described in the BAC 2021 Annual Report, the BAC 31 March 2022 Quarterly Report or in any of BAC's other SEC filings could by itself, or together with other factors, materially adversely affect BAC's liquidity, cash flows, competitive position, business, reputation, results of operations, capital position or financial condition, including by materially increasing BAC's expenses or decreasing BAC's revenues, which could result in material losses

BAC's ability to make payments and, if applicable, non-cash delivery obligations under its Guarantees or the BAC Notes will depend upon its receipt of funds from its subsidiaries, and applicable law and regulations, and actions taken under BAC's resolution plan, could restrict the ability of its subsidiaries to transfer such funds

BAC is a holding company and conducts substantially all of its operations through its subsidiaries. BAC's ability to make payments and, if applicable, non-cash delivery obligations under its Guarantees or the BAC Notes, as applicable, depends upon its receipt from its subsidiaries of dividends and other distributions, loans, advances and other payments. Any inability of these subsidiaries to pay dividends or make payments to BAC may adversely affect its cash flow and financial condition. Many of these subsidiaries, including bank and broker-dealer subsidiaries, are subject to laws that restrict dividend payments or authorise regulatory bodies to block or reduce the flow of funds from those subsidiaries to BAC or to its other subsidiaries. In addition, BAC's bank and broker-dealer subsidiaries are subject to restrictions on their ability to lend or transact with affiliates and to minimum regulatory capital and liquidity requirements. Lower earnings in BAC's subsidiaries can reduce the amount of funds available to BAC as a holding company. Adverse business and economic conditions could affect BAC's businesses and results of operations, including changes in interest and currency exchange rates, illiquidity or volatility in areas where we have concentrated credit risk, and a failure in or breach of our operational or security systems or infrastructure. Intercompany arrangements BAC has entered into in connection with its resolution planning could restrict the amount of funding available to it from its subsidiaries under certain adverse conditions, as described below under "—A resolution under BAC's preferred single point of entry resolution strategy could materially adversely affect BAC's liquidity and financial condition and BAC's ability to pay its obligations on its securities and its ability to make payments and, if applicable, non-cash delivery obligations under the Guarantees or the BAC Notes, as applicable." These restrictions could prevent BAC's subsidiaries from paying dividends or making other distributions to BAC or otherwise providing funds to BAC that it needs in order to make payments and, if applicable, non-cash delivery obligations under its Guarantees or the BAC Notes, as applicable. In addition, BAC's right to participate in any distribution of assets of any of its subsidiaries upon such subsidiary's liquidation or otherwise, will be subject to the prior claims of creditors of that subsidiary, except to the extent that any of BAC's claims as a creditor of such subsidiary may be recognised.

A resolution under BAC's preferred single point of entry resolution strategy could materially adversely affect BAC's liquidity and financial condition and BAC's ability to pay its obligations on its securities and its ability to make payments and, if applicable, non-cash delivery obligations under the Guarantees or the BAC Notes, as applicable

BAC, as the parent holding company, is required periodically to submit a plan to its primary regulatory authorities describing BAC's resolution strategy under the U.S. Bankruptcy Code in the event of material financial distress or failure. In BAC's current plan, its preferred resolution strategy is a "single point of entry" ("**SPOE**") strategy. This strategy provides that only BAC (the parent holding company) files for resolution under the U.S. Bankruptcy Code and contemplates providing certain key operating subsidiaries with sufficient capital and liquidity to operate through severe stress and to enable such subsidiaries to continue operating or be wound down in a solvent manner following a BAC bankruptcy. BAC has entered into intercompany arrangements resulting in the contribution of most of its capital and liquidity to these key subsidiaries. Pursuant to these arrangements, if BAC's liquidity resources

deteriorate so severely that resolution becomes imminent, BAC will no longer be able to draw liquidity from its key subsidiaries, and will be required to contribute its remaining financial assets to a wholly-owned holding company subsidiary, which could materially and adversely affect BAC's liquidity and financial condition and the ability to return capital to its shareholders, including through the payment of dividends and repurchase of BAC's common stock, and meet BAC's payment obligations, including on the BAC Notes and the Guarantees. In addition, BAC's preferred resolution strategy could result in holders of BAC's securities, including the BAC Notes and the Guarantees, being in a worse position and suffering greater losses than would have been the case under bankruptcy or other resolution scenarios or plans.

If the FDIC and U.S. Board of Governors of the Federal Reserve System (the "**Federal Reserve Board**") jointly determine that BAC's resolution plan is not credible, they could impose more stringent capital, leverage or liquidity requirements or restrictions on BAC's growth, activities or operations. BAC could also be required to take certain actions that could impose operating costs and could potentially result in the divestiture of certain assets or restructuring of businesses and subsidiaries.

Additionally, under Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "**Financial Reform Act**"), when a global systemically important banking organisation ("**G-SIB**"), such as BAC, is in default or danger of default, the FDIC may be appointed receiver in order to conduct an orderly liquidation of such institution. In the event of such appointment, the FDIC could, among other things, invoke the orderly liquidation authority, instead of the U.S. Bankruptcy Code, if the Secretary of the U.S. Department of Treasury makes certain financial distress and systemic risk determinations. In 2013, the FDIC issued a notice describing its preferred "single point of entry" strategy for resolving a G-SIB. Under this approach, the FDIC could replace BAC with a bridge holding company, which could continue operations and result in an orderly resolution of the underlying bank, but whose equity would be held solely for the benefit of BAC's creditors. The FDIC's single point of entry strategy may result in holders of the BAC Notes or the Guarantees suffering greater losses than would have been the case under a bankruptcy proceeding or a different resolution strategy with respect to payments received under the BAC Notes and the Guarantees.

To the extent that BAC is resolved under the U.S. Bankruptcy Code or the FDIC's orderly liquidation authority, third-party creditors of BAC's subsidiaries may receive significant or full recoveries on their claims while security holders of BAC, including holders of the BAC Notes and the Guarantees, could face significant or complete losses.

If BAC enters a resolution proceeding, holders of BAC's unsecured debt securities, including the BAC Notes, and equity securities would be at risk of absorbing BAC's losses

Under the final rules of the Federal Reserve Board relating to total loss-absorbing capacity (the "**TLAC Rules**"), BAC is required to maintain minimum amounts of unsecured external long-term debt satisfying certain eligibility criteria ("**eligible LTD**") and other loss-absorbing capacity for the purpose of absorbing BAC's losses in a resolution proceeding under either the U.S. Bankruptcy Code or Title II of the Financial Reform Act. If BAC enters a resolution proceeding under either the U.S. Bankruptcy Code or Title II of the Financial Reform Act, BAC's losses would be imposed first on holders of BAC's equity securities and thereafter on BAC's unsecured debt, including the BAC Notes, and some or all of such securities could be significantly reduced or eliminated as a result of such resolution proceeding.

Under BAC's SPOE resolution strategy, and the single point of entry strategy preferred by the FDIC under Title II of the Financial Reform Act, the value that would be distributed to holders of BAC's unsecured debt, including the BAC Notes, may not be sufficient to repay all or part of the principal amount and interest on such debt, and holders of such debt could receive no consideration at all under these resolution scenarios. Either of these resolution strategies could result in holders of BAC's debt securities being in a worse position and suffering greater losses than would have been the case under a different resolution strategy. Although SPOE is BAC's preferred resolution strategy, neither BAC nor a bankruptcy court would be obligated to follow BAC's SPOE strategy. Additionally, the FDIC is not obligated to follow its single point of entry strategy to resolve BAC under Title II of the Financial Reform Act. For more information regarding the financial consequences of any such resolution proceeding, see "Bank of America Corporation – Financial Consequences to Unsecured Debtholders of Single Point of Entry Resolution Strategy".

BAC is subject to the Federal Reserve Board's final rules requiring U.S. global systemically important organisations ("G-SIBs") holding companies to maintain minimum amounts of long-term debt meeting specified eligibility requirements

Commencing January 1, 2019, under the TLAC Rules, U.S. G-SIBs, including BAC, are required to, among other things, maintain minimum amounts of eligible LTD and other loss-absorbing capacity for the purpose of absorbing BAC's losses in a resolution proceeding under the U.S. Bankruptcy Code or Title II of the Financial Reform Act. Any senior long-term debt issued must include terms required by the TLAC Rules in order to qualify as eligible LTD. Actions required to comply with the TLAC Rules could impact BAC's funding and liquidity risk management plans.

BAC's obligations on the BAC Notes and under the Guarantees will be structurally subordinated to liabilities of BAC's subsidiaries

Because BAC is a holding company, its right to participate in any distribution of the assets of any subsidiary (including each of BofA Finance, MLBV and MLICo.) upon such subsidiary's liquidation or reorganisation or otherwise, is subject to the prior claims of creditors of that subsidiary, except to the extent that BAC may itself be recognised as a creditor of that subsidiary. As a result, BAC's obligations under the BAC Notes or under the Guarantees will be structurally subordinated to all existing and future liabilities of BAC's subsidiaries, and claimants under the BAC Notes or the Guarantees should look only to BAC's assets for payment. Further creditors of BAC's subsidiaries recapitalised pursuant to BAC's resolution plan generally would be entitled to payment of their claims from the assets of the subsidiaries, including BAC's contributed assets. In addition, any obligations of BAC under the BAC Notes and the Guarantees will be unsecured and, therefore, in a bankruptcy or similar proceeding, will effectively rank junior to BAC's secured obligations to the extent of the value of the assets securing such obligations.

Holders of the BAC Notes and claimants under the Guarantees could be at greater risk of being structurally subordinated if BAC sells or conveys all or substantially all of its assets to one or more of its majority-owned subsidiaries

If BAC sells or conveys all or substantially all of its assets to one or more direct or indirect majority-owned subsidiaries of BAC, the subsidiary or subsidiaries will not be required to assume BAC's obligations under the BAC Notes or the Guarantees, and BAC will remain the sole obligor on such BAC Notes and the Guarantees. In such event, creditors of any such subsidiary or subsidiaries would have additional assets from which to recover on their claims while holders of BAC Notes and claimants under the Guarantees would be structurally subordinated to creditors of such subsidiary or subsidiaries with respect to such assets.

The U.S. banking regulators have adopted rules mandating the inclusion of contractual stay provisions in certain financial contracts, which are intended to mitigate the risk of destabilising closeouts of such contracts on the resolution of BAC and its subsidiaries. The inclusion of these provisions into the Instruments could materially adversely affect the rights of Holders against the relevant Issuer, the Guarantor or, in the case of Secured Instruments, the Secured Instruments Collateral Provider in a resolution scenario

In the fall of 2017, the Federal Reserve Board, the FDIC and the U.S. Office of the Comptroller of the Currency issued rules ("**QFC Stay Rules**") designed to improve the resolvability and resilience of U.S. G-SIBs and the U.S. operations of foreign G-SIBs, by mitigating the risk of destabilising closeouts of qualified financial contracts ("**QFCs**") in resolution. BAC and its subsidiaries, including BofA Finance, MLBV, MLICo. and MLI as the Secured Instruments Collateral Provider, are "covered entities" subject to the QFC Stay Rules. Certain of the Instruments, the Guarantee and the Collateral Transaction Documents for Secured Instruments may qualify as QFCs.

The QFC Stay Rules seek to eliminate impediments to the orderly resolution of a G-SIB both in a scenario where resolution proceedings are instituted by the U.S. regulatory authorities under the U.S. Federal Deposit Insurance Act or the Orderly Liquidation Authority under Title II of the Financial Reform Act ("**OLA**") (together, the "**U.S. Special Resolution Regimes**"), as well as in a scenario where the G-SIB is resolved under ordinary insolvency proceedings under applicable bankruptcy or insolvency laws. To address this, the QFC Stay Rules require covered entities to ensure that their QFCs subject to the QFC Stay Rules (i) contain an express contractual recognition of the statutory stay-and-transfer provisions of the U.S. Special Resolution Regimes and (ii) do not contain cross-default rights against the covered entity

based on an affiliate becoming subject to any type of insolvency proceeding or restrictions on the transfer of any related credit enhancements (including a guarantee) issued by an affiliate of the covered entity following that affiliate's entry into insolvency proceedings.

Acknowledgement of U.S. Special Resolution Regimes

To address the QFC Stay Rules requirements, the Instruments contain an express contractual recognition that in the event the Issuer, the Guarantor or, in the case of Secured Instruments, the Secured Instruments Collateral Provider becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of the Instruments, the Guarantees or the Collateral Transaction Documents will be effective to the same extent as the transfer would be effective under such U.S. Special Resolution Regime. In addition, the Instruments contain an express contractual recognition that in the event the Issuer, the Guarantor, the Secured Instruments Collateral Provider or any of their affiliates becomes subject to a proceeding under a U.S. Special Resolution Regime, default rights against the Issuer, the Guarantor or the Secured Instruments Collateral Provider with respect to the Instruments, the Guarantees or the Collateral Transaction Documents are permitted to be exercised to no greater extent than they could be exercised under such U.S. Special Resolution Regime. For this purpose, "default rights" include the right to terminate, liquidate or accelerate a QFC or demand payment or delivery thereunder, and may, therefore, include the right of a Holder to exercise an American Style Warrant or to exercise an Investor Put.

Under current law, BAC, as a Delaware corporation and U.S. entity, and its subsidiary, BofA Finance LLC, as a Delaware limited liability company and U.S. entity, are eligible to be placed into proceedings under OLA if certain determinations are made by the applicable U.S. regulatory authorities. However, MLBV, MLICo. and MLI, as the Secured Instruments Collateral Provider, are not eligible to be placed into proceedings under the U.S. Special Resolution Regimes as each is a non-U.S. entity. For more information, please see the risk factors "*A resolution under BAC's preferred single point of entry resolution strategy could materially adversely affect BAC's liquidity and financial condition and BAC's ability to pay its obligations on its securities and its ability to make payments and, if applicable, non-cash delivery obligations under the Guarantees or the BAC Notes, as applicable*" and "*If BAC enters a resolution proceeding, holders of BAC's unsecured debt securities, including the BAC Notes, would be at risk of absorbing BAC's losses*," "Resolution Planning" on page 5 of the BAC 2021 Annual Report on Form 10-K, "Insolvency and the Orderly Liquidation Authority" on pages 5 to 6 of the BAC 2021 Annual Report on Form 10-K and the risk factors under the caption "*Item 1A Risk Factors – Liquidity*" on page 7 of the BAC 2021 Annual Report on Form 10-K.

In an Insolvency, there may be a transfer of the Guarantees and other Credit Enhancements and cross-default rights may be eliminated

The Instruments explicitly provide that the Guarantees and the Collateral Transaction Documents may be transferred to another entity as transferee upon or following the Guarantor or the Secured Instruments Collateral Provider becoming subject to a resolution, restructuring, reorganisation or similar proceeding (an "**Insolvency Proceeding**"). This is not limited to a proceeding under a U.S. Special Resolution Regime, and would also include, for example, a proceeding under Chapter 11 of the U.S. Bankruptcy Code. It is possible, although not required, that in connection with a resolution or restructuring of the Guarantor or the Secured Instruments Collateral Provider, the Guarantor or the Secured Instruments Collateral Provider (or the relevant insolvency official) may seek to transfer certain of its guarantee or other credit support obligations to another entity.

In addition, the Secured Instruments explicitly provide that a Holder will not be permitted to exercise any default right with respect to any Secured Instrument or the related Collateral Transaction Documents that is related, directly or indirectly, to an affiliate of the Issuer becoming subject to an Insolvency Proceeding. This would include an Insolvency Proceeding with respect to the Secured Instruments Collateral Provider. However, there is an exception to this limitation where the default right arises as a result of (i) the Issuer becoming subject to an Insolvency Proceeding, (ii) the Issuer not satisfying a payment or delivery obligation pursuant to such Secured Instrument, or (iii) the failure of the Secured Instrument Collateral Provider, or any transferee thereof, to satisfy a payment or delivery obligation pursuant to the Collateral Transaction Documents or any other credit enhancement that supports the Secured Instrument. After an affiliate of the Issuer becomes subject to an Insolvency Proceeding, a Holder seeking to exercise a default right against the Issuer with respect to the Secured Instrument or the Collateral Transaction Documents shall have the burden of proof, by clear and convincing evidence, that the exercise of such a default right is permitted thereunder. For this purpose, the definition of default

right would not include an on-demand termination right, such as the exercise of an American Style Warrant or an Investor Put.

Holders may be affected by the risk that the obligations of the Guarantor or the Secured Instruments Collateral Provider may be transferred to another entity in the event the Guarantor or the Secured Instruments Collateral Provider enters into resolution, restructuring or similar proceedings or that the obligations of the Guarantor under the Guarantees or the Secured Instruments Collateral Provider under the Collateral Transaction Documents will not be transferred to another entity while other liabilities and assets of the Guarantor or the Secured Instruments Collateral Provider are transferred in connection with such measures

Investors should be aware that the taking of resolution measures with respect to the Guarantor or the Secured Instruments Collateral Provider or even the suggestion of the potential taking of resolution measures in respect of the Guarantor or the Secured Instruments Collateral Provider could have a material adverse effect on the rights of Holders, and could lead to a loss of some or all of the investment. Holders may not be able to anticipate the exercise of any resolution measures and will have very limited rights to challenge such measures, even where such measures have resulted in the transfer of the Guarantees or the Collateral Transaction Documents.

3. Risks Relating to the Instruments Generally

Investors risk losing all of their investment in the Instruments

Potential investors should be aware that depending on the terms of the relevant Instruments (i) they may receive no or a limited amount of interest, (ii) payments may occur at a different time than expected and (iii) except in the case of Instruments that are structured to pay a minimum amount equal to (or nearly equal to) the amount invested on the maturity date/settlement date, they may lose all or a substantial portion of their investment if the value of the Reference Item(s) does not move in the anticipated direction.

Investors in Instruments, which are structured to pay a minimum amount equal to (or nearly equal to) the amount invested on the maturity date/settlement date, may still be subject to loss of some or all of their investment if the relevant Issuer and (if applicable) the Guarantor are subject to bankruptcy or insolvency proceedings or some other event occurs which impairs the ability of each to meet its obligations under the Instruments and (if applicable) the Guarantees. An investor may also lose some or all of its investment if it seeks to sell the relevant Instruments prior to their scheduled maturity or settlement, and the sale price of the Instruments in the secondary market is less than the initial investment or the relevant Instruments are subject to certain adjustments in accordance with the terms and conditions of such Instruments that may result in the scheduled amount to be paid or asset(s) to be delivered upon redemption or settlement being reduced to or being valued at an amount less than an investor's initial investment.

The Instruments may not be a suitable investment for all investors

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

(a) have sufficient knowledge and experience to evaluate the Instruments, the merits and risks of investing in the Instruments and the information contained or incorporated by reference in this Offering Circular or any applicable supplement and all the information contained in the applicable Final Terms;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Instruments and the impact the Instruments will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Instruments, including Instruments with amounts payable in one or more currencies, or where the Settlement Currency or Specified Currency of the Instruments is different from the potential investor's currency;

(d) have knowledge of and access to appropriate analytical resources to analyse quantitatively the effect (or value) of any redemption, cap, floor, or other features of the Instruments, and the resulting impact upon the value of the Instruments;

(e) understand thoroughly the terms of the Instruments and be familiar with any relevant indices and financial markets; and

(f) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Instruments are complex financial instruments. A potential investor should not invest in Instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how such Instruments will perform under changing conditions, the resulting effects on the value of those Instruments and the impact this investment will have on the potential investor's overall investment portfolio.

In addition, an investment in Index Linked Instruments, Share Linked Instruments, GDR/ADR Linked Instruments, FX Linked Instruments, Commodity Linked Instruments, Fund Linked Instruments, Inflation Linked Instruments, Credit Linked Instruments, Saudi Share Linked Warrants, Preference Share Linked Notes or other Reference Item Linked Instruments, may entail significant risks not associated with investments in conventional securities such as debt or equity securities, including, but not limited to, the risks set out in "*Risks Relating to the Structure of a Particular Issue of Instruments*" below.

The Instruments (other than Secured Instruments) are unsecured obligations

Save in respect of Secured Instruments (in respect of which see "*Risks related to Secured Instruments*" below), the Instruments issued by each of MLBV and MLICo. constitute direct, unsubordinated, unconditional and unsecured obligations of the relevant Issuer and rank equally among themselves and rank equally (subject to exceptions as are from time to time provided by applicable laws) with all other present and future direct, unsubordinated, unconditional and unsecured indebtedness or obligations, as applicable, of the relevant Issuer.

The Notes issued by BAC will be unsecured and unsubordinated obligations of BAC and will rank equally with all of BAC's other unsecured and unsubordinated obligations from time to time outstanding, except obligations, including deposit liabilities, that are subject to any priorities or preferences by law.

The Notes issued by BofA Finance will constitute unsecured and unsubordinated obligations of BofA Finance and will rank equally with all other unsecured and unsubordinated obligations of BofA Finance from time to time outstanding, except obligations that are subject to any priorities or preferences by law.

The obligations of the Guarantor under the Guarantees, save for such exceptions as may be provided by applicable laws and regulations or judicial order, will rank *pari passu* with its other present and future unsecured and unsubordinated obligations.

The yield on the Instruments may be less than the yield on a conventional debt security of comparable maturity

Any yield that an investor may receive on the Instruments, which could be negative, may be less than the return an investor would earn if the investor purchased a conventional debt security with the same maturity date. As a result, an investment in the Instruments may not reflect the full opportunity cost to an investor when factors that affect the time value of money, such as inflation, are considered.

Movements in the level or price of a Reference Item will affect the performance of the Instruments

The level or price of the Reference Item may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level or price of the Reference Item. This may affect the actual yield to investors, even if the average level or price of the Reference Item during the life of the Instruments is consistent with investors' expectations. In general, the earlier the change in the level or price of the Reference Item, the greater the effect on the yield of the Instruments.

Leverage will magnify the effect of changes in the Reference Item

If the formula used to determine any amount payable and/or non-cash consideration deliverable contains a multiplier or leverage factor, then the percentage change in the value of the Instrument will be greater than any positive and/or negative performance of the Reference Item(s). Any Instruments which include such multiplier or leverage factor represent a very speculative and risky form of investment since any change in the value of the Reference Item(s) carries the risk of a correspondingly higher change in the value of the Instruments.

For Tranched Portfolio CLNs, the Implicit Portfolio Size of the Reference Portfolio is likely to be significantly larger than the nominal amount of the Notes. Accordingly, the credit risk of investors in the Notes in relation to the Reference Portfolio is leveraged. The value of such Notes may be more volatile, and credit losses in respect of such Notes may be greater than would be the case in the absence of such leverage. The value of such Notes may also be adversely affected by changes in the relative value of different tranches of credit risk on the Reference Portfolio. Such relative value changes may occur as a result of, for example, changes in assumptions used by market participants to model the credit risk of the Reference Portfolio, as well as changes in the supply of and demand for credit protection in relation to each such tranche.

A postponement of valuation or determination due to a Market Disruption Event and Disrupted Day may have an adverse effect on the value of the Instruments

If the Instruments include provisions dealing with the occurrence of a Market Disruption Event or a failure of an exchange or related exchange to open on a Valuation Date, an Averaging Date or a Pricing Date and the Calculation Agent determines that a Market Disruption Event or such failure has occurred or exists on any relevant date, any consequential postponement of the relevant date or any alternative provisions for valuation provided in the Instruments may have an adverse effect on the value of the Instruments or of any amounts payable under the Instruments.

The occurrence of a Payment Disruption Event may lead to a delayed and/or reduced payment

If a Payment Disruption Event is applicable to an Instrument, as specified in the applicable Final Terms, then, in the event that the Calculation Agent determines, in its sole discretion, that an event that (i) prevents, restricts or delays the relevant Issuer from converting or delivering relevant currencies, (ii) imposes capital or exchange controls or (iii) implements changes to laws relating to foreign investments, (a "**Payment Disruption Event**") has occurred or is likely to occur, then the relevant exercise or payment date (as applicable) in respect of the Instruments may be postponed to a date falling five Business Days (or such other date as may be determined by the Calculation Agent and notified to Holders) after the date on which the Payment Disruption Event is no longer occurring. No accrued interest will be payable in respect of any such postponement and no Event of Default in respect of the Instruments will result from such postponement. Partial payments or physical delivery of (i) Shares in lieu of cash settlement of Share Linked Instruments or (ii) Fund Shares in lieu of cash settlement of Index Linked Instruments (where "Physical Settlement" is specified as applicable to the Index Linked Conditions in the relevant Final Terms) may, in the relevant Issuer's sole discretion, be made during such period (after deduction for any expenses). In the event that a Payment Disruption Event is still continuing on the date which is one year after the last date on which amounts are due under the Instruments (the "**Payment Event Cut-Off Date**"), then (1) such final payment date shall be extended to the Payment Event Cut-Off Date and (2) the remaining amounts payable under the Instruments shall be deemed to be zero and the relevant Issuer shall have no obligations whatsoever under the Instruments. Therefore, in a case where Payment Disruption Event is specified as applicable in the applicable Final Terms, the Holder could lose all or part of its investment in the Instruments.

In the event that the relevant Issuer satisfies its obligation to make a cash payment by the delivery of Shares or Fund Shares (as the case may be) following the occurrence of a Payment Disruption Event, Holders may be unable to sell such Shares or Fund Shares (as the case may be), or may be unable to sell them at a price equal to the cash payment that would have been payable but for the occurrence of the Payment Disruption Event.

The occurrence of a CNY Payment Disruption Event may lead to a delayed and/or reduced payment or payment in another currency

If a CNY Payment Disruption Event is applicable to an Instrument, as specified in the applicable Final Terms, then, in the event that the Calculation Agent determines, in its sole discretion, that any of the following events has occurred or is likely to occur: (i) an event that makes it impossible or impractical for the relevant Issuer to convert any amounts in CNY due in respect of the Instruments in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s), (ii) an event that makes it impossible or impractical for the relevant Issuer to deliver CNY between accounts inside the relevant CNY Settlement Centre(s) or from an account inside the relevant CNY Settlement Centre(s) to an account outside the relevant CNY Settlement Centre(s) or from an account outside the relevant CNY Settlement Centre(s) to an account inside the relevant CNY Settlement Centre(s), or (iii) the general CNY foreign exchange market in the relevant CNY Settlement Centre becomes illiquid as a result of which the relevant Issuer cannot obtain sufficient CNY in order to satisfy its payment obligations (in whole or in part) under the Instruments (each, a "**CNY Payment Disruption Event**"), then the relevant exercise or payment date (as applicable) in respect of the Instruments may be postponed to a date falling five Business Days (or such other date as may be determined by the Calculation Agent and notified to Holders) after the date on which the CNY Payment Disruption Event is no longer occurring. No accrued interest will be payable in respect of any such postponement and no Event of Default in respect of the Instruments will result from such postponement. In the event that a CNY Payment Disruption Event is still continuing on the Payment Event Cut-Off Date, then (1) such final payment date shall be extended to the Payment Event Cut-Off Date and (2) the remaining amounts payable under the Instruments shall be deemed to be zero and the relevant Issuer shall have no obligations whatsoever under the Instruments. Therefore, in a case where a CNY Payment Disruption Event is relevant as specified in the applicable Final Terms, the Holder could lose all or part of its investment in the Instruments. If "Payment of Equivalent Amount" is applicable to an Instrument, as specified in the applicable Final Terms, the relevant Issuer may make payment of the equivalent amount of the relevant Interest Amount, Fixed Coupon Amount, Final Redemption Amount, Additional Amount, Cash Settlement Amount or other amount payable under the Instruments in another currency as specified in the applicable Final Terms.

Risks relating to Instruments denominated in CNY

All payments in CNY under the Instruments will be made solely by credit or transfer to a CNY account maintained by the payee with a bank in the CNY Settlement Center in accordance with the prevailing rules and regulations and in accordance with the Conditions. The relevant Issuer shall not be required to make payment by any other means (including in any other currency or in bank notes, by check or draft or by transfer to a bank account in the People's Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan) ("**PRC**") or anywhere else other than the CNY Settlement Center).

CNY is not completely freely convertible at present. The PRC government continues to regulate conversion between CNY and foreign currencies despite the significant reduction over the years by such government of its control over routine foreign exchange transactions under current accounts. However, remittance of CNY by foreign investors into the PRC for purposes such as capital contributions, known as capital account items, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and subject to a strict monitoring system. Regulations in the PRC on the remittance of CNY into the PRC for settlement of capital account items are developing gradually.

There is only limited availability of CNY outside the PRC, which may affect the liquidity of the Notes and the Issuer's ability to source CNY outside the PRC to fulfil its payment obligations under the Notes. As a result of the restrictions by the PRC government on cross-border CNY fund flows, the availability of CNY outside the PRC is limited. While the People's Bank of China (the "**PBoC**") has entered into agreements on the clearing of CNY business with financial institutions in a number of financial centres and cities (the "**CNY Clearing Banks**") including, but not limited to, Hong Kong and are in the process of establishing CNY clearing and settlement mechanisms in several other jurisdictions (the "**Settlement Arrangements**"), the current size of CNY-denominated financial assets outside the PRC is limited. There are also restrictions imposed by the PBoC on CNY business participating banks in respect of cross-border CNY settlement, such as those relating to direct transactions with PRC enterprises. CNY business participating banks do not have direct CNY liquidity support from the PBoC. The CNY Clearing Banks only have access to onshore liquidity support from the PBoC for the purpose of squaring open positions

of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The relevant CNY Clearing Bank is not obliged to square for participating banks any open positions as a result of other foreign exchange transactions or conversion services and the participating banks will need to source CNY from outside the PRC to square such open positions.

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

The value of CNY against foreign currencies fluctuates and is affected by changes in the People's Republic of China and international political and economic conditions and by many other factors. For example, in August 2015, the PBoC implemented changes to the way it calculates the midpoint against the U.S. dollar to take into account market-maker quotes before announcing the daily midpoint. This change, among others that may be implemented, may increase the volatility in the value of CNY against other currencies. As a result, foreign exchange fluctuations between investor's home currency and CNY may affect investors who intend to convert gains or losses from the sale or redemption of the Instruments into their home currency.

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberation may increase interest rate volatility. Instruments denominated in CNY may carry a fixed interest rate. Consequently, the trading price of such CNY Instruments will vary with fluctuations in interest rates. A holder of Instruments denominated in CNY may receive less than the amount invested if it seeks to sell the Instruments prior to their scheduled maturity and the sale price of the Instruments in the secondary market is less than the investor's initial investment.

If a Currency Substitution Event with respect to the Instruments occurs, adjustments may be made to the economic terms of the Instruments which may result in a reduced investment return

In the event of a Currency Substitution Event, the relevant Issuer may (a) make adjustments to the economic terms of the relevant Instruments, including, without limitation, to the exercise, settlement, valuation, calculation and payment terms or (b) redeem or settle the Instruments early on such day as shall be notified to the Holders at an early redemption amount or early settlement amount that accounts for the Currency Substitution Event. Any such action may reduce the value of the Instruments and may result in the amounts paid or non-cash consideration delivered under the Instruments being less than what would have been paid or delivered if the adjustments had not been made or the early redemption or settlement had not occurred, and may be less, or significantly less, than the initial investment.

The relevant Issuer may make certain modifications to the Instruments without the consent of the Holders

The Conditions provide that the relevant Agent and the relevant Issuer may, without the consent of Holders, agree to (i) any modification (subject to certain specific exceptions) of the Instruments or the New York Law Agency Agreement or the English Law Agency Agreement (as applicable) (each as defined in the "Terms and Conditions of the Notes") which is not prejudicial to the interests of the Holders or (ii) any modification of the Instruments or the New York Law Agency Agreement or the English Law Agency Agreement (as applicable) which is of a formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of law.

At meetings of Holders, the decision of the majority will bind all Holders

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

There may be conflicts of interest between the relevant Issuer, the Guarantor (if applicable), the relevant Dealer and/or their respective Affiliates and the Holders

The relevant Issuer, the Guarantor (if applicable), the relevant Dealer and/or any of their respective Affiliates or agents may engage in activities (including financial or other business transactions) that may result in conflicts of interests between their and their respective Affiliates' or agents' financial interests on the one hand and the interests of the Holders on the other hand. In the ordinary course of their business activities, the relevant Issuer, the Guarantor (if applicable), the relevant Dealer and/or any of their respective Affiliates or agents may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. These investments and securities activities may involve securities and/or instruments of the relevant Issuer, the Guarantor (if applicable) or their Affiliates and could influence secondary trading (if any) in such securities and/or instruments, or otherwise could be adverse to the interests of a beneficial owner of such securities and/or instruments. The relevant Dealer or its Affiliates that have a lending relationship with the relevant Issuer and/or the Guarantor (if applicable) routinely hedge their credit exposure to the relevant Issuer and/or the Guarantor (if applicable) consistent with their customary risk management policies. The relevant Dealer or its Affiliates may also make investment recommendations and/or publish or express independent research views in respect of the Reference Item(s) underlying any Instruments or other instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such Reference Item(s) or instruments.

In addition, the relevant Issuer, the Guarantor (if applicable), the relevant Dealer and/or their Affiliates may also engage in trading activities (including hedging activities) related to the Reference Item(s) underlying any Instruments and other instruments or derivative products based on or related to the Reference Item(s) underlying any Instruments for their proprietary accounts or for other accounts under their management. These trading activities may present a conflict of interest between Holders of the Instruments and the interests of the relevant Issuer, Guarantor (if applicable), the relevant Dealer or their respective affiliates, as applicable. These trading activities, if they influence the price/value of the Reference Item(s) underlying the Instruments or secondary trading (if any) in the Instruments, could be adverse to Holders' interests as an owner of such Instruments. The relevant Issuer, the Guarantor (if applicable), the relevant Dealer and/or any of their respective Affiliates or agents may also issue other derivative instruments in respect of the Reference Item(s) underlying Instruments. The relevant Issuer, the Guarantor (if applicable), the relevant Dealer and/or any of their respective Affiliates or agents may also act as underwriter in connection with future offerings of Shares or other securities related to an issue of Instruments or may act as financial adviser to certain companies whose Shares or other securities are included in a basket of Shares or other securities or which are reference entities, or in a commercial banking capacity for any such companies. Such activities could present certain conflicts of interest, could influence the prices of such Shares or other securities and could adversely affect the value of such Instruments.

From time to time during the term of any Instruments and in connection with the determination of the payments on the Instruments, the relevant Issuer or its Affiliates also may enter into hedging transactions or adjust or close out existing hedging transactions. The relevant Issuer or its Affiliates also may enter into hedging transactions relating to other Instruments that the relevant Issuer may issue, some of which may have returns calculated in a manner related to that of a particular Series of Instruments. The relevant Issuer would not seek competitive bids for such arrangements from unaffiliated parties. The relevant Issuer or its Affiliates will price these hedging transactions with the intent to realise a profit, considering the risks inherent in these hedging activities, whether the value of the Instruments increases or decreases. However, these hedging activities may result in a profit that is more or less than initially expected, or could result in a loss.

Where the Instruments are offered to third parties, as the Dealer(s) and any distributors act pursuant to a mandate granted by the relevant Issuer and they receive fees on the basis of the services performed and the outcome of the placement of the Instruments, potential conflicts of interest could arise. The Dealer(s), their agents and their Affiliates may engage in financial or other business transactions with the relevant Issuer and the Guarantor (if applicable) in the ordinary course of business.

In addition, unless otherwise specified in the applicable Final Terms, the Calculation Agent is an Affiliate of the relevant Issuer and the Guarantor (if applicable) and in such capacity may make certain determinations and calculate amounts payable or deliverable to Holders. The Calculation Agent may

make such determinations using data which is not easily obtainable by a Holder of the Instruments. Under certain circumstances, the Calculation Agent, as an Affiliate of the relevant Issuer and the Guarantor (if applicable), and its responsibilities as calculation agent for the Instruments could give rise to potential conflicts of interest between the Calculation Agent and the Holders. As BAC controls the Calculation Agent, potential conflicts of interest could arise.

In addition, if the Instruments are linked to a proprietary index, such index will generally be developed, owned, calculated and maintained by MLI, BofASE or their respective Affiliates, which would be responsible for the composition, calculation and maintenance of such index. Potential conflicts of interest may exist in the internal teams and divisions of MLI, BofASE or their respective Affiliates. For example, one team may calculate and publish the level of the proprietary index, while another team within the organisation may issue or promote/sell products linked to such index or the underlying index components. In addition, a further team within the organisation may have trading positions in or relating to instruments and assets to which the performance of the proprietary index is directly or indirectly linked (including any underlying index component). In addition, the relevant Issuer, the Guarantor (if applicable), MLI, BofASE or their respective Affiliates may be active and significant participants in, or act as market maker in relation to, a wide range of markets for currencies, commodities, securities and derivatives. Such activities may be undertaken on such a scale as to affect, either temporarily or on a longer term basis, the price of such investments which may impact adversely the level of the proprietary index and therefore, the value of, and returns on, the Instruments. None of the relevant Issuer, the Guarantor (if applicable), the relevant Dealer, MLI, BofASE or their respective agents or Affiliates will have any duty or obligation to take into account any impact on the performance of the proprietary index when effecting transactions in such markets. In addition, MLI or BofASE as the index sponsor and index calculation agent, or Affiliates of MLI or BofASE may enter into transactions referencing or relating to the proprietary index with one or more counterparties or may engage in proprietary trading in such index or securities, options, futures, derivatives or other instruments relating to such proprietary index or the underlying index components (including such trading as it or its Affiliates deems appropriate in their sole and absolute discretion to hedge its market risk with respect to such proprietary index or any transaction relating to such index) for their accounts, for business reasons, or for other accounts under its or their management. MLI or BofASE, as index sponsor, and its Affiliates may enter into such hedging transactions with a view to a profit or other financial gain. In addition, any such trading may affect the level of the proprietary index and consequently, the amounts payable or deliverable under any Instrument referencing or relating to such index. Such trading may be effected at any time, including on or near determination, setting, resetting or other calculation dates for the proprietary index or the underlying index components, or the pricing, setting or resetting of any other valuation dates for any Instrument linked to such index.

Any additional risk factors relating to additional conflicts of interest with respect to a specific Series of Instruments will be specified in the applicable Final Terms.

The secondary market price of the Instruments may be less than the Issue Price

Investors should note that, in certain circumstances immediately following the issue of the Instruments or at any time prior to maturity, the secondary market price of the Instruments may be less than the Issue Price, reflecting the fees to be paid to distributor(s) included in the Issue Price, hedging and other costs for the Instruments, if applicable, changes to the relevant Issuer's or (if applicable) the Guarantor's credit spreads and changes in the level of the Reference Item. These factors, together with various credit, market and economic factors over the term of the Instruments, are expected to reduce the price at which an investor may be able to sell the Instruments in any secondary market and will affect the value of the Instruments in complex and unpredictable ways. See also "There may be conflicts of interest between the relevant Issuer, the Guarantor (if applicable) and/or their respective Affiliates and Holders" above.

A Holder may not receive the Entitlement relating to a Physical Delivery Instrument if it fails to deliver the required notice and pay Expenses relating to such Physical Delivery Instrument

In order to receive the Entitlement in respect of a Physical Delivery Note, the holder of such Note must (i) duly deliver to the Clearing System and/or Paying Agents, as specified in the Final Terms, a duly completed Asset Transfer Notice on or prior to the relevant time on the Cut-Off Date and (ii) pay the relevant Expenses. As used in the Conditions, "Expenses" includes any applicable depositary charges, transaction or exercise charges, stamp duty reserve tax, issue, registration, securities transfer and/or other

taxes arising from the redemption, exercise and settlement (as applicable) of such Instruments and/or the delivery of the Entitlement.

In order to receive the Entitlement in respect of a Physical Delivery W&C Instrument, the holder of such W&C Instrument must (i) deliver or send to the Clearing System and/or Paying Agents, as specified in the Final Terms, (a) a duly completed Exercise Notice on or prior to the relevant time on the Expiration Date (in the case of a Warrant) or (b) a duly completed Collection Notice on or prior to the relevant time on the Cut-Off Date (in the case of a Certificate) and (ii) pay the relevant Expenses.

Failure by a Holder properly to complete and deliver an Asset Transfer Notice, Exercise Notice or Collection Notice, as the case may be, or to procure that its agent does so on its behalf, may result in such notice being treated as null and void. This may result in a delay in delivery of the Entitlement, or the relevant Issuer being unable to deliver the Entitlement. Failure to pay the Expenses will have the same consequences to a Holder.

In the case of Physical Delivery Instruments, settlement may be delayed or made in cash if certain events arise

In the case of Physical Delivery Instruments (other than Credit Linked Instruments), if a Settlement Disruption Event occurs or exists on the Maturity Delivery Date (in the case of Notes) or Settlement Date (in the case of W&C Instruments), settlement will be postponed until the next date on which no Settlement Disruption Event occurs. The relevant Issuer in these circumstances has the right to pay the Disruption Cash Settlement Price in lieu of delivering the Entitlement. Such a determination may have an adverse effect on the value of the relevant Instruments. In addition, if "Failure to Deliver due to Illiquidity" is specified as applicable in the applicable Final Terms, and in the opinion of the Calculation Agent it is impossible or impracticable to deliver some or all of the Relevant Assets comprising the Entitlement when due as a result of illiquidity in the market for the Relevant Assets, the relevant Issuer has the right to pay the Failure to Deliver Settlement Price in lieu of delivering those Relevant Assets. Any Disruption Cash Settlement Price or Failure to Deliver Settlement Price may be significantly less than Holders expected to receive prior to such Settlement Disruption Event or Calculation Agent determination.

Holders have no claim against any Reference Item(s), and the return on a Reference Item Linked Instrument, if any, may be less than the return on an investment directly in the Reference Item(s)

An Instrument will not represent a claim against any Reference Item(s) and, in the event of any loss, a Holder will not have recourse under an Instrument to any Reference Item(s). If a Reference Item is comprised of the same asset as a Collateral Asset in respect of a Series of Secured Instruments, a Holder may have recourse to such Collateral Asset under the relevant Secured Instruments (see the risk factors set out in the section entitled "Risks relating to Secured Instruments"). The investment return on the Instruments, if any, may be less than a comparable investment directly in the Reference Item(s), or the components included in any Reference Item(s). In contrast to an investment in the Instruments, a direct investment in the Reference Item(s) or the components of the Reference Item(s) would allow an investor to receive the full benefit of any appreciation or depreciation, as the case may be, in the value of such Reference Item(s) or these components.

The Guarantor has the option to vary settlement under the MLBV/MLICo. Guarantee

In relation to Physical Delivery Instruments (other than Secured Instruments) issued by MLBV or MLICo., under the MLBV/MLICo. Guarantee, the Guarantor has the right at all times to elect not to deliver or procure delivery of the Entitlement to the holders of Physical Delivery Instruments, but in lieu thereof to pay an amount in cash equal to the Guaranteed Cash Settlement Amount specified in the applicable Final Terms. Such cash payment will constitute a complete discharge of the Guarantor's obligations in relation to such Physical Delivery Instruments. As of the date of this Offering Circular, the Guarantor would plan to elect to satisfy any of its obligations under the MLBV/MLICo. Guarantee by payment of the applicable Guaranteed Cash Settlement Amount.

The relevant Issuer may have the right to vary settlement

If so indicated in the applicable Final Terms for Instruments issued by BAC, MLBV or MLICo., the relevant Issuer has an option to vary settlement in respect of the Instruments. If exercised by the relevant

Issuer, Physical Delivery Instruments may be cash settled or Cash Settled Instruments may be physically settled. Exercise of such option may affect the value of the Instruments.

In the case of illegality as determined by the relevant Issuer, and to the extent permitted by applicable law, the relevant Issuer may redeem or cancel the Instruments, as applicable

If the relevant Issuer determines that the performance of either its obligations under the Instruments or (in the case of Instruments other than Secured Instruments) the obligations of BAC under the Guarantee has or will become illegal in whole or in part for any reason, then the relevant Issuer may redeem or cancel the Instruments, as applicable. Additionally, in the case of W&C Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" shall be applicable, MLICo. or MLBV may cancel the relevant Instruments if it determines that (i) after taking commercially reasonable efforts or steps, MLICo., MLBV, BAC or any of their respective Affiliates, is unable to comply or ensure compliance with any applicable laws, rules, regulations, governmental orders, directions or requirements of governmental or regulatory authorities which are applicable to the relevant W&C Instruments or are applicable to MLICo., MLBV, BAC or such relevant Affiliates as a result of having issued the relevant W&C Instruments, including any requirements as to an investor's eligibility to acquire or continue to hold the relevant W&C Instruments, or (ii) MLICo., MLBV, BAC or any of their respective Affiliates has suffered, will or is likely to suffer regulatory sanction, penalty, reputational harm or other material adverse consequence in connection with the issuance of the relevant W&C Instruments and/or the performance of its obligations under the W&C Instruments.

If, in the case of illegality and to the extent permitted by applicable law, the relevant Issuer redeems or cancels the Instruments, then the relevant Issuer will, in the case of Notes, redeem each Note at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption, or in the case of W&C Instruments, pay an amount to each Holder determined by reference to the fair market value of each Instrument, in each case, less hedging costs, which may be less than the purchase price of the Instruments and may in certain circumstances be zero.

A United States federal withholding tax may be imposed on payments made by the relevant Issuer with respect to the Instruments to certain holders

A 30 per cent. United States withholding tax may be imposed on certain payments made by a foreign financial institution that enters into an agreement with the United States Department of the Treasury (the "**U.S. Treasury**") to collect and provide to the U.S. Treasury substantial information regarding United States account holders, including certain account holders that are foreign entities with United States owners, with such institution. An Instrument may constitute an account for these purposes.

Pursuant to U.S. Treasury regulations, the 30 per cent. United States withholding tax may be imposed on (i) United States source payments made by the relevant Issuer or any Paying Agent with respect to the Instruments and (ii) non-United States source payments made after the second anniversary of the date of publication in the United States Federal Register of final regulations defining the term "foreign passthru payment" by the relevant Issuer or any Paying Agent with respect to the Instruments in each case to "recalcitrant holders", which are generally holders that do not comply with the relevant Issuer's request for information to enable it to comply with the tax legislation, and to non-compliant foreign financial institutions. In the event withholding is required under the legislation, neither the relevant Issuer nor any Paying Agent will pay any Additional Tax Amounts with respect to the amount so withheld.

A United States withholding tax may be imposed on certain payments made to an Issuer in which case the relevant Issuer (other than BAC or BofA Finance) may be entitled to redeem or cancel the Instruments prior to maturity

A 30 per cent. United States withholding tax may be imposed on certain United States source payments made to a foreign financial institution, unless such institution enters into an agreement with the U.S. Treasury to collect and provide to the U.S. Treasury substantial information regarding United States account holders, including certain account holders that are foreign entities with United States owners, with such institution. An Instrument may constitute an account for these purposes.

If the relevant Issuer (other than BAC or BofA Finance) determines in good faith that it has, or there is a substantial likelihood that it will, become subject to withholding imposed on a payment made to it on account of the relevant Issuer's inability to comply with the legislation's reporting requirements (provided

that such inability to comply with the reporting requirements is attributable to non-compliance by any Holder of such Instruments (or a foreign withholding agent (if any) in the chain of custody of payments made to the Holders) with the relevant Issuer's requests for certifications or identifying information), it may redeem or cancel the Instruments held by non-compliant and compliant Holders at their Early Redemption Amount (in the case of Notes) or at their Early Settlement Amount (in the case of W&C Instruments).

United States federal tax may be withheld from payments with respect to Instruments that are treated as "dividend equivalents". This may have an adverse effect on the value and liquidity of the Instruments. In addition, if any payment with respect to Instruments would be treated as a "dividend equivalent", the relevant Issuer would be entitled to redeem or cancel the Instruments at any time prior to maturity, settlement, expiration or exercise

A "dividend equivalent" payment is treated as a dividend from sources within the United States and such payments generally would be subject to a 30 per cent. United States withholding tax if paid to a United States Alien holder. Under U.S. Treasury regulations issued pursuant to Code Section 871(m), payments or deemed payments with respect to equity-linked instruments ("**ELIs**") that are "specified ELIs" may be treated as dividend equivalents if such specified ELIs reference an interest in a United States "underlying security," which is generally any interest in an entity taxable as a corporation for United States federal income tax purposes if a payment with respect to such interest could give rise to a United States source dividend. Specified ELIs generally do not include (1) ELIs issued prior to 1 January 2023 that are not delta-one instruments or (2) ELIs that are treated as referencing a "qualified index." However, it is possible that Instruments could be treated as deemed reissued for United States federal income tax purposes upon the occurrence of certain events affecting the reference asset or the Instruments, and following such occurrence the Instruments could be treated as subject to withholding on dividend equivalent payments.

A qualified index is a passive index that (1) is based on a diverse basket of publicly traded securities, (2) is widely used by numerous market participants, and (3) meets certain specific requirements set forth in the applicable Treasury regulations. The qualified index determination is made on the first business day of the calendar year in which the ELI is issued. If, in connection with the purchase of an ELI that references an index, a taxpayer enters into one or more transactions that reduce exposure to components of the index, the ELI is not treated as referencing a qualified index.

If any payments are treated as dividend equivalents subject to withholding, the relevant Issuer (or an applicable withholding agent) would be entitled to withhold taxes without being required to pay any Additional Tax Amounts with respect to amounts so withheld. In that case, actual payments on the Instruments may be substantially less than the amounts specified in their terms.

In addition, if any payment with respect to the Instruments (or any payment with respect to a direct or indirect hedging arrangement entered into by the relevant Issuer or any of its Affiliates relating to the Instruments) would be treated as a dividend equivalent, the relevant Issuer would be entitled to redeem or cancel the Instruments, in whole, but not in part, at any time prior to maturity, settlement, expiration or exercise at their Early Redemption Amount (in the case of Notes) or Early Settlement Amount (in the case of W&C Instruments), as determined by the Calculation Agent in its discretion. These amounts could be significantly less than the holder's initial investment, and could be as low as zero.

The value of the Instruments could be adversely affected by a change in English law or administrative practice or by a change in New York law

The Conditions of the Instruments (other than Notes issued by BAC and BofA Finance) are based on English law in effect as at the date of issue of the relevant Instruments. The Conditions of the Notes issued by BAC and BofA Finance and the Guarantees are based on the laws of the State of New York in effect as at the date of issue of the relevant Instruments. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice or change to the laws of the State of New York, as applicable, after the date of issue of the relevant Instruments and any such change could materially adversely impact the value of, or the amounts paid under, any Instruments affected by it.

Transfers of Rule 144A Instruments are restricted

Issue and transfers of Rule 144A Instruments may be made only to purchasers in the United States or to, or for the account or benefit of, U.S. persons that have executed and delivered an Investor Representation Letter for the benefit of the Dealer, the relevant Issuer and the Guarantor pursuant to which such purchaser must certify, among other things, that such purchaser is a QIB who is also a QP. A transfer or attempted transfer of any Rule 144A Instrument which does not comply with the applicable transfer restrictions shall be absolutely null and void *ab initio* and shall vest no rights in the purported transferee.

4. **Risks Relating to Notes**

Events for which acceleration rights under the Notes of BAC and MLBV may be exercised are more limited than those available pursuant to the terms of the relevant Issuer's outstanding senior debt securities issued prior to 1 January 2017

In response to the TLAC Rules, BAC, among other things, limited the circumstances under which the payment of the principal amount of senior debt securities (including the BAC Notes issued under the Programme on or after 24 January 2017) can be accelerated by the holders (unless specified otherwise in the applicable Final Terms). MLBV also limited the circumstances under which the payment of the principal amount of the MLBV Notes issued under the Programme on or after 24 January 2017 can be accelerated by the holders (unless specified otherwise in the applicable Final Terms).

All or substantially all of BAC's outstanding senior debt securities issued prior to 1 January 2017, including BAC's outstanding senior notes issued under the Programme prior to 24 January 2017, and MLBV's outstanding senior notes issued prior to 24 January 2017, including outstanding senior notes issued by MLBV under the Programme prior to such date (the "**Pre-2017 Senior Debt Securities**"), provide acceleration rights for non-payment or bankruptcy. The Pre-2017 Senior Debt Securities issued by BAC also provide acceleration rights if BAC defaults in the performance of its covenants in those senior debt securities or the applicable indenture or agency agreement. The Pre-2017 Senior Debt Securities issued by MLBV also provide acceleration rights if the Guarantor defaults in the performance of its covenants in the applicable guarantee or the applicable agency agreement. In addition, the Pre-2017 Senior Debt Securities issued by BAC do not require a 30-day cure period before a non-payment of principal becomes an event of default and acceleration rights become exercisable with respect to such non-payment.

However, payment of the principal amount of Notes of BAC and MLBV issued on or after 24 January 2017:

- may be accelerated only (i) if the relevant Issuer defaults in the payment of the principal of or interest on those Notes and, in each case, the default continues for a period of 30 days, or (ii) upon the relevant Issuer's voluntary or involuntary bankruptcy and, in the case of the relevant Issuer's involuntary bankruptcy, the default continues for a period of 60 days; and

- may not be accelerated, in the case of BAC Notes, if BAC defaults in the performance of any other covenants contained in the BAC Notes or the applicable agency agreement; and

- may not be accelerated, in the case of MLBV Notes, if the Guarantor defaults in the performance of any other covenants contained in the applicable guarantee or the applicable agency agreement.

As a result of these differing provisions, if BAC, in the case of BAC Notes, or the Guarantor, in the case of MLBV Notes, breaches or otherwise defaults in the performance of a covenant (other than a payment covenant) that is applicable both to the Notes of BAC and MLBV and the Pre-2017 Senior Debt Securities, the Pre-2017 Senior Debt Securities would have acceleration rights that would not be available to the holders of Notes of BAC and MLBV. In addition, if BAC fails to pay principal when due with respect to the BAC Notes and the Pre-2017 Senior Debt Securities, an event of default would occur immediately with respect to the Pre-2017 Senior Debt Securities (and the exercise of acceleration rights could proceed immediately in accordance with the provisions of the applicable agency agreement as in effect at the time of their issuance), while the holders of the BAC Notes must wait for the 30-day cure period to expire before such non-payment of principal becomes an Event of Default and any acceleration rights are triggered with respect to such non-payment. Any repayment of the principal amount of Pre-

2017 Senior Debt Securities following the exercise of acceleration rights in circumstances in which such rights are not available to the holders of the relevant Notes of BAC and MLBV, could adversely affect the relevant Issuer's ability to make timely payments on the relevant Notes of BAC and MLBV thereafter.

Failure by a Holder to pay instalments in respect of Partly Paid Notes may result in the Holder losing all of his investment

BAC, BofA Finance or MLBV may issue Notes where the issue price is payable in more than one instalment. Failure to pay BAC, BofA Finance or MLBV, as the case may be, any subsequent instalment could result in a Holder losing all of his investment.

Notes for which the Specified Currency is other than U.S. Dollars permit the Issuer to make payments in U.S. Dollars if the Issuer determines the Specified Currency is unavailable

The terms of any Notes for which the Specified Currency is other than U.S. Dollars provide that the Issuer has the right to make a payment in U.S. Dollars instead of the Specified Currency, if at or about the time when the payment on the Notes comes due, the Specified Currency is subject to unavailability resulting from convertibility, transferability, market disruption, or other conditions affecting its availability because of circumstances beyond the Issuer's control, as set out in Condition 8(B) (*Unavailability of Currency*) of the Terms and Conditions of the Notes. These circumstances could include the imposition of exchange controls, economic sanctions or the Issuer's inability to obtain the Specified Currency because of a disruption in the currency markets for the Specified Currency, or unavailability because the Specified Currency is no longer used by the government of the relevant country or for settlement of transactions by public institutions of or within the international banking community. In addition, if the Specified Currency for a Note has been replaced by a new currency, the Issuer will have the option to choose whether it makes payments on such Note in the replacement currency or in U.S. dollars. In either case, the exchange rate used to make payments in U.S. Dollars may be based on limited information and would involve significant discretion on the part of the Issuer's exchange rate agent that will determine the amount of U.S. Dollars to be paid, and which may be an affiliate of the Issuer. As a result, the value of the payment in U.S. Dollars may be less than the value of the payment that would have been received in the Specified Currency if the Specified Currency had been available, which could adversely affect the value of, return on and market for the affected Notes. The exchange rate agent generally will not have any liability for its determinations. Any payment in respect of Notes so made in U.S. dollars where the required payment is in an unavailable Specified Currency will not constitute an Event of Default.

An investor may bear currency exchange risk in a lawsuit for payment on a Note denominated or payable in a currency other than U.S. Dollars

The Notes will be governed by New York law. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on Notes denominated in a Specified Currency other than U.S. Dollars would be required to render the judgment in the Specified Currency.

In turn, the judgment would be converted into U.S. Dollars at the exchange rate prevailing on the date of entry of the judgment. Consequently, in a lawsuit for payment on the Notes, a Noteholder would bear currency exchange risk until judgment is entered, which could be a long time In courts outside of New York, Noteholders may not be able to obtain judgment in a Specified Currency other than U.S. Dollars. For example, a judgment for money in an action based on Notes denominated in a Specified Currency other than U.S. Dollars in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. Dollars. The date and method used to determine the rate of conversion of the Specified Currency into U.S. Dollars will depend on various factors, including which court renders the judgment.

The conversion of the Specified Currency into U.S. Dollars in any such case, could result in the value of the relevant payment in U.S. Dollars being less than it would have been if payment had been made in the applicable Specified Currency, which, in turn, could adversely the return on and value of the affected Notes.

Notes may be subject to optional redemption by the relevant Issuer, which may limit their market value

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

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

Notes issued at a substantial discount or premium may be volatile

The market value of Notes issued at a substantial discount from, or premium to, their principal amount may fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Notes issued by BofA Finance and MLBV will not have the benefit of any cross-default or cross-acceleration with other indebtedness of BofA Finance or MLBV, as applicable, or BAC; events of bankruptcy or insolvency or resolution proceedings relating to BAC and covenant breach by BAC will not constitute an event of default with respect to the guaranteed Notes of BofA Finance or MLBV

Notes issued by BofA Finance and MLBV will not have the benefit of any cross-default or cross-acceleration with other indebtedness of BofA Finance or MLBV, as applicable, or BAC. In addition, events of bankruptcy or insolvency or resolution or similar proceedings relating to BAC will not constitute an event of default with respect to the Notes of BofA Finance or MLBV that are guaranteed by BAC. Furthermore, it will not constitute an event of default with respect to the Notes of BofA Finance or MLBV if the guarantee thereof by BAC ceases to be in full force and effect for any reason. Therefore, events of bankruptcy or insolvency or resolution or similar proceedings relating to BAC (in the absence of any such event occurring with respect to BofA Finance or MLBV) will not permit the Notes of BofA Finance or MLBV to be declared due and payable. In addition, a breach of a covenant by BAC (including, for example, a breach of BAC's covenants with respect to mergers or the sale of all or substantially all its assets), will not permit the Notes of BofA Finance or MLBV to be declared due and payable. The value investors receive on these Notes may be significantly less than what they otherwise would have received had the Notes been declared due and payable immediately upon certain events of bankruptcy or insolvency or resolution or similar proceedings relating to BAC or the breach of a covenant by BAC or upon BAC's Guarantee ceasing to be in full force and effect.

5. Risks relating to Exchangeable Notes

The Company to which the underlying Shares relate will not have participated in the preparation of the applicable Final Terms or in establishing the terms of the Exchangeable Notes

The Company will not have participated in the preparation of the applicable Final Terms or in establishing the terms of the Exchangeable Notes, and none of MLBV as Issuer, the Guarantor or any Dealer will make any investigation or enquiry in connection with such offering with respect to any information concerning the Company contained in such Final Terms or in the documents from which such information was extracted. Neither MLBV nor the Guarantor controls the Company and neither is responsible for any disclosure made by the Company. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the adequacy, accuracy or completeness of the publicly available information described in this paragraph or in any applicable Final Terms) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning the Company could affect the trading price of the Shares and therefore the trading price of the Exchangeable Notes or amounts payable thereunder.

Exchangeable Notes may be redeemed prior to their Maturity Date

The Exchangeable Note Conditions provide that the Exchangeable Notes are redeemable at MLBV's option in certain limited circumstances. In such circumstances, an investor may be compelled to exercise its Exchange Rights earlier than it might otherwise have chosen to do so.

In addition, upon the occurrence of a Nationalisation or Delisting or, if specified as applicable in the relevant Final Terms, a Change in Law or if option contracts in respect of the Shares are traded on Eurex or an Alternative Options Exchange and certain events occur as a result of which such option contracts are settled in accordance with the Eurex Corporate Actions Procedures or the corporate actions procedures of an Alternative Options Exchange, as the case may be, for example following the occurrence of a significant corporate action by the Company, MLBV will be obliged to or, following the occurrence of a Change in Law where specified in the applicable Final Terms, MLBV may elect to redeem the Exchangeable Notes early.

Potential investors should consider reinvestment risk in light of other investments available at that time.

Risks attached to the exercise of the Exchange Right

Investors should be aware that the Exchangeable Notes that may be redeemed at the option of the Noteholder during certain times at the Cash Amount bear additional risk. The value of the Cash Amount will vary depending on the performance during certain specified periods of the underlying Shares, over which MLBV has no control, and therefore the Cash Amount may be lower or substantially lower than the value of the Exchangeable Notes when they were initially purchased or when the Exchange Rights were exercised.

There is a limited period during which the Noteholders may exercise Exchange Rights

A Noteholder will have the right to require his or her Exchangeable Notes to be redeemed by MLBV in accordance with the Exchangeable Note Conditions, upon which, MLBV will procure that the exchanging Noteholder receives a Cash Amount (such amount based on the prevailing volume-weighted average price of the Shares during a specified period following the relevant Exchange Date). The Exchange Right may only be exercised by a Noteholder during limited periods and subject to the satisfaction of any applicable Exchange Conditions, each as described in Exchangeable Note Condition 7 (*Exchange of Exchangeable Notes*). If the Exchange Rights are not exercised by Noteholders during an applicable Exchange Period and/or any applicable Exchange Condition is not satisfied, the Exchangeable Notes will be redeemed at their Final Redemption Amount on the Maturity Date (unless previously redeemed or purchased by MLBV, the Guarantor or any of their respective Affiliates) pursuant to the Conditions, which will be calculated by reference to the price of the Shares at the relevant time.

Holders of Exchangeable Notes have limited anti-dilution protection

The Exchange Price at which the Exchangeable Notes will be redeemed will be adjusted if there is a payment of a dividend which affects such Shares, but only in the situations and only to the extent provided under the Exchange Note Conditions.

There is no requirement that there should be an adjustment for every other corporate or other event that may affect the value of the Shares. Events in respect of which no adjustment is made may adversely affect the value of the Shares and, therefore, adversely affect the value of the Exchangeable Notes.

In particular, to the extent specified as applicable in respect of any series of Exchangeable Notes, as long as there are option contracts in respect of the Shares traded on Eurex and under the Eurex Corporate Actions Procedures there is an adjustment made by Eurex to such options contracts, there will be an adjustment of the Exchange Price to reflect the adjustments effected by Eurex following a corporate action, other than a Dividend, Nationalisation or Delisting or, if specified as applicable in respect of any series of Exchangeable Notes, a Change in Law.

Additionally, to the extent specified as applicable in respect of any series of Exchangeable Notes, if option contracts in respect of the Shares are not traded on Eurex but are traded on an alternative options exchange, the Calculation Agent will adjust the Exchange Price to reflect any adjustment effected in respect of any options contracts by such alternative options exchange following a corporate action, other

than a Dividend, Delisting or Nationalisation or, if specified as applicable in respect of any series of Exchangeable Notes, a Change in Law.

Furthermore, upon the occurrence of a Nationalisation and/or a Delisting, MLBV shall, and upon the occurrence of Change in Law (if applicable), MLBV may elect to, redeem all but not some only of the Exchangeable Notes outstanding at the Automatic Early Redemption Amount, and no adjustment shall be made to the Exchange Price.

To the extent that an adjustment (or no adjustment as the case may be) is made to the Exchange Price upon the occurrence of any corporate action in accordance with the Exchange Note Conditions applicable to any series of Exchangeable Notes, such adjustment (or lack of adjustment as the case may be) may have a material adverse impact on the price or value of the Exchangeable Notes and may materially adversely impact the level of any applicable Cash Amount, Automatic Early Redemption Amount or Final Redemption Amount.

Holders of Exchangeable Notes bear the risk of fluctuation in the price of the Shares

The market price of the Exchangeable Notes is expected to be affected by fluctuations in the market price of the Shares, and it is impossible to predict whether the price of the Shares will rise or fall. The share price of listed companies can be highly volatile and their shares may have limited liquidity at certain times. In addition, equity market conditions may affect the price and market liquidity of Shares regardless of the performance of the Company. Equity market conditions are affected by many factors, such as such as interest and price levels on the capital markets, currency developments, the political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy, changes in investor sentiment towards particular market sectors and the demand for and supply of capital. Trading in the Shares by other investors, such as large purchases or sales of the Shares, may also affect the Share Price. Accordingly, the market price of Shares (and therefore, the Cash Amount receivable on any exercise of the Exchange Rights or any Automatic Early Redemption Amount or Final Redemption Amount) may not reflect the underlying value of the Company's investments. The Company's results and prospects from time to time may be below the expectations of market analysts and investors. Any decline in the market price of the underlying Shares at any time may accordingly have an adverse effect on the market price of the Exchangeable Notes and may have a corresponding negative impact on any Cash Amount, Automatic Early Redemption Amount or Final Redemption Amount payable in respect of the Exchangeable Notes. These factors are not within MLBV's or the Guarantor's control and may result in a decline in the value of the Exchangeable Notes.

In addition, for the purposes of calculating the Cash Amount payable on any exercise of Exchange Rights, the Exchange Date by reference to which the relevant Cash Amount is calculated will, unless otherwise specified in the applicable Final Terms, be the Business Day immediately following the last day of the Exchange Period in which the Exchange Right was exercised. If so, Noteholders will be exposed to any decline in the market price of the Shares between the Exchange Notice Delivery Date and the Exchange Date, which decline may have a corresponding negative impact on the Cash Amount payable in respect of such Exchangeable Notes.

Holders of Exchangeable Notes will not receive physical Shares and will have no shareholder rights

Holders of the Exchangeable Notes upon exercise of their Exchange Rights will not receive any Shares and will not have any voting rights, nor any right to receive dividends or other distributions or any other rights with respect to such Shares. Neither MLBV nor the Guarantor is required under the Conditions to deliver any Shares at any point.

Exchangeable Notes do not represent a claim against or an investment in the Company and investors will not have any right of recourse under the Exchangeable Notes to the Company or the Shares. Exchangeable Notes are not in any way sponsored, endorsed or promoted by the Company and the Company has no obligation to take into account the consequences of its actions for any Noteholders. Accordingly, the Company may take any actions in respect of such Shares without regard to the interests of the investors in the Exchangeable Notes, and any of these actions could adversely affect the market value of the Exchangeable Notes and may adversely impact the value of any Cash Amount, Automatic Early Redemption Amount or Final Redemption Amount payable in respect of the Exchangeable Notes.

6. Risks Relating to W&C Instruments

Certain factors affecting the value and trading price of W&C Instruments

Either (1) in the case of Cash Settled W&C Instruments, the Cash Settlement Amount or (2) in the case of Physical Delivery W&C Instruments, the value of the Entitlement less (in the case of Warrants) the Exercise Price (the "**Physical Settlement Value**") at any time prior to expiration (in the case of a Warrant) or exercise (in the case of a Certificate) is typically expected to be less than the trading price of such W&C Instruments at that time. The difference between the trading price and the Cash Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, the "time value" of the W&C Instruments. The "time value" of the W&C Instruments will depend partly upon the length of the period remaining to expiration (in the case of a Warrant) or exercise (in the case of a Certificate) and expectations concerning the price or level of the Reference Item(s). W&C Instruments offer hedging and investment diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the W&C Instruments varies with the price or level of the Reference Item(s), as well as by a number of other interrelated factors, including those specified herein.

Before exercising W&C Instruments, Holders should carefully consider, among other things, (i) the trading price of the W&C Instruments, (ii) the price or level and volatility of the Reference Item(s), (iii) the time remaining to expiration (in the case of a Warrant) or exercise (in the case of a Certificate), (iv) in the case of Cash Settled W&C Instruments, the probable range of Cash Settlement Amounts, (v) any change(s) in interim interest rates and dividend yields if applicable, (vi) any change(s) in currency exchange rates and (vii) any related transaction costs.

An optional exercise or mandatory early exercise feature in W&C Instruments is likely to limit their market value. In the case of an optional exercise feature, during any period when the relevant Issuer may elect to exercise W&C Instruments, the market value of those W&C Instruments generally will not rise substantially above the price at which they can be exercised. This also may be true prior to any exercise period. In the case of a mandatory early exercise feature, if the relevant Mandatory Early Exercise Event occurs the W&C Instruments will be exercised prior to their originally designated exercise or expiration date. Potential investors should be aware that in certain circumstances, an optional exercise or mandatory early exercise of the W&C Instruments by the relevant Issuer may result in a loss of all or a substantial portion of their investment.

In the case of Secured Instruments, the market value of the Secured Instruments will be affected by, among other things, the Collateral Assets which secure the relevant Series of W&C Instruments.

There are no Events of Default in relation to W&C Instruments other than Secured Instruments

Other than in respect of Secured Instruments, the Conditions of the W&C Instruments do not provide for any events of default. If the relevant Issuer defaults on any obligation under the W&C Instruments prior to the Settlement Date, Holders of Instruments other than Secured Instruments will be able to claim against the Guarantor under the MLBV/MLICo. Guarantee, but will have no right to declare all of the remaining obligations of the relevant Issuer in respect of the relevant Series of W&C Instruments to be immediately due and payable.

7. Risks Relating to Warrants

There will be a time lag between the time a Holder gives instructions to exercise and the time the applicable Cash Settlement Amount relating to such exercise is determined, and such time lag could decrease the Cash Settlement Amount

In the case of any exercise of Warrants, there will be a time lag between the time a Holder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) relating to such exercise is determined. Any such delay between the time of exercise and the determination of the Cash Settlement Amount will be specified in the Conditions of the W&C Instruments. However, such delay could be significantly longer, particularly in the case of a delay in exercise of Warrants arising from any daily maximum exercise limitation (in the case of American Style Warrants), the occurrence of a Market Disruption Event or failure of an exchange or related exchange to open (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency in the case of FX Linked Warrants or

other Warrants in respect of which "Exchange Rate" is specified to be applicable in the applicable Final Terms. The applicable Cash Settlement Amount may change significantly during any such period between exercise and determination of the Cash Settlement Amount, and such movement or movements could decrease the Cash Settlement Amount of the Warrants being exercised and may result in such Cash Settlement Amount being zero.

Holders may have to tender a specified number of Warrants at any one time in order to exercise

If so indicated in the applicable Final Terms, a Holder must tender or hold a specified number of Warrants at any one time in order to exercise. Thus, Holders with fewer than the specified minimum number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Warrants incur the risk that there may be differences between the trading price of such Warrants and the Cash Settlement Amount (in the case of Cash Settled Warrants) or the Physical Settlement Value (in the case of Physical Delivery Warrants (as defined below)) of such Warrants. Therefore it may cost an investor more to purchase additional Warrants than the value of the increase in the Cash Settlement Amount or Physical Settlement Value, as the case may be, attributable to such additional Warrants.

The number of American Style Warrants exercisable on any date other than the Expiration Date may be limited to a maximum number

In the case of American Style Warrants, if so indicated in the applicable Final Terms, the relevant Issuer will have the option to limit the number of American Style Warrants exercisable on any date (other than the Expiration Date) to the maximum number specified in the applicable Final Terms and, in conjunction with such limitation, to limit the number of American Style Warrants exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of American Style Warrants being exercised on any date (other than the Expiration Date) exceeds such maximum number and the relevant Issuer elects to limit the number of American Style Warrants exercisable on such date, a Holder may not be able to exercise on such date all American Style Warrants that such Holder desires to exercise. In any such case, the number of American Style Warrants to be exercised will be reduced until the total number of American Style Warrants exercised on that date no longer exceeds the maximum, such American Style Warrants being selected at the discretion of the relevant Issuer or in any other manner specified in the applicable Final Terms. Unless otherwise specified in the applicable Final Terms, the American Style Warrants tendered for exercise but not exercised on such date will be automatically exercised on the next date on which American Style Warrants may be exercised, subject to the same daily maximum limitation and delayed exercise provisions.

8. Risks Relating to the Market Generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk that may have an impact on an investment in the Instruments.

Many factors will determine the price of the Instruments in the secondary market and such market may be illiquid

It is not possible to predict the price at which Instruments will trade in the secondary market or whether such market will be liquid or illiquid. Each Issuer may, but is not obliged to, list or admit to trading an issue of Instruments on a securities exchange or market. If the Instruments are not listed or admitted to trading on any securities exchange or market, pricing information for the Instruments may be more difficult to obtain and the liquidity of the Instruments may be adversely affected. If the relevant Issuer does list or admit to trading an issue of Instruments, there can be no assurance that at a later date, the Instruments will not be delisted or that trading on such securities exchange or market will not be suspended. In the event of a de-listing or suspension of listing or trading on a securities exchange or market, the relevant Issuer will use its reasonable efforts to list or admit to trading the Instruments on another securities exchange or market, unless it concludes it would be unduly burdensome to do so. Also, in the case of American Style Warrants to the extent Warrants of a particular issue are exercised, the number of Warrants of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Warrants of such issue. A decrease in the liquidity of an issue of Warrants may cause, in turn, an increase in the volatility associated with the price of such issue of Warrants.

The relevant Issuer cannot assure holders of the Instruments that a trading or secondary market for their Instruments will develop or, if one develops, it will be maintained.

The relevant Issuer, the Guarantor (if applicable), or any of BAC's Affiliates may, but is not obliged to, at any time purchase Instruments at any price in the open market or by tender or private treaty for their own account for business reasons or in connection with their hedging arrangements. Any Instruments so purchased may be held or resold or surrendered for cancellation. The relevant Issuer, the Guarantor (if applicable), or any of BAC's Affiliates may, but is not obliged to, be a market-maker for an issue of Instruments. Even if the relevant Issuer or such other entity is a market-maker for an issue of Instruments, the secondary market for such Instruments may be limited and any market-maker may discontinue making a market for such Instruments at any time without giving notice. These activities may affect the price of such obligations or securities in a manner that would be adverse to a Holder's investment in the Instruments. The relevant Issuer, the Guarantor (if applicable) and BAC's Affiliates have not considered, and are not required to consider, the interests of investors as Holders in connection with entering into any of the above mentioned transactions.

The market value of the Instruments may be less than the principal amount of the Instruments. The market for, and market value of, the Instruments may be affected by a number of factors. These factors include:

(a) the complexity and volatility of the Reference Item(s) or formula or other basis of reference applicable to the Instruments;

(b) the method of calculating amounts payable, including any dividend rates or yield or other securities or financial instruments applicable to the securities payable and/or deliverable, or other consideration, if any, in respect of the Instruments;

(c) the time remaining to the expiration (in the case of Warrants), exercise (in the case of Certificates) or redemption (in the case of Notes) of the Instruments;

(d) the aggregate amount or number of Instruments outstanding;

(e) the redemption, repayment or settlement features of the Instruments;

(f) the value of other securities linked to the Reference Item(s) or formula or other basis of reference applicable to the Instruments;

(g) the level, direction and volatility of market interest rates generally;

(h) the general economic conditions of the capital markets, as well as geopolitical conditions and other financial, political, regulatory and judicial events that affect the financial markets generally, may affect the value of the Reference Item(s) and the Instruments;

(i) any market-making activities with respect to the Instruments; and

(j) the possibility that investors may be unable to hedge their exposure to risks relating to their Instruments.

In addition, certain Instruments may be designed for specific investment objectives or strategies and, therefore, may have a more limited secondary market and experience more price volatility. Holders may not be able to sell such Instruments readily or at prices that will enable them to realise their anticipated yield. No investor should purchase Instruments unless such investor understands and is able to bear the risk that such Instruments may not be readily saleable, that the value of such Instruments will fluctuate over time, that such fluctuations may be significant and that such investor may lose all or a substantial portion of the purchase price of the Instruments.

Often, the only way to obtain liquidity in respect of a Holder's investment in an issue of Instruments prior to maturity will be to sell such Instruments. At that time, there may be a very illiquid market for the Instruments or no market at all. For Instruments that have specific investment objectives or strategies, the applicable trade market may be more limited, and the price may be more volatile, than for other Instruments. Holders may not be able to sell such Instruments readily or at prices that will enable them to realise their anticipated yield. To the extent that an issue of Instruments is or becomes illiquid, an investor may have to exercise such Instruments (in the case of American Style Warrants) or wait until

the Exercise Date (in the case of European Style Warrants or Certificates) or the Maturity Date (in the case of Notes) of such Instruments to realise value. If an investor sells its Instruments prior to exercise (in the case of American Style or European Style Warrants or Certificates) or prior to maturity (in the case of Notes), it may lose some or all of its investment. No investor should purchase Instruments unless such investor understands and is able to bear the risk that such Instruments may not be readily saleable, that the value of such Instruments will fluctuate over time, that such fluctuations may be significant, and that such investor may lose all or a substantial portion of the purchase price of the Instruments.

Investors may be subject to foreign exchange exposure and the Instruments may become subject to exchange controls

In the case of Cash Settled Instruments, the relevant Issuer will pay the Cash Settlement Amount (in the case of W&C Instruments) or Final Redemption Amount (in the case of the Notes) in respect of the Instruments in the Settlement Currency or Specified Currency specified in the applicable Final Terms. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Settlement Currency or Specified Currency, as applicable (the "**Settled Currency**"). These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settled 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 Settled Currency would decrease (i) the Investor's Currency-equivalent yield on the Instruments, (ii) the Investor's Currency equivalent value of the Cash Settlement Amount or Final Redemption Amount (as applicable) in respect of the Instruments and (iii) the Investor's Currency equivalent market value of the Instruments. These risks generally depend on factors over which BAC has no control, such as economic and political events and the supply of and demand for the relevant currencies in the global markets. In recent years, exchange rates between many currencies have been highly volatile. This volatility may continue and could spread to other currencies in the future.

Government and monetary authorities may impose exchange controls (as some have done in the past) that could adversely affect an applicable exchange rate. As a result, the Cash Settlement Amount (in the case of Cash Settled W&C Instruments) or the Final Redemption Amount (in the case of Notes) that investors may receive may be less than expected or zero.

Except in connection with a Currency Substitution Event (as described herein), and, in the case of Notes, in connection with the circumstances described in Condition 8(B) (*Unavailability of Currency*) of the Terms and Conditions of the Notes, the relevant Issuer may not make any adjustment in or change to the terms of any Instruments for changes in foreign currency exchange rates that may affect such Instruments, including any devaluation, revaluation, or imposition of exchange or other regulatory controls or taxes, or for other developments affecting the relevant currency or currencies. Consequently, investors will bear the risk that their investment may be affected adversely by these types of events.

Government policy can adversely affect currency exchange rates and an investment in an Instrument denominated in a currency other than the Investor's Currency

Currency exchange rates either can float or be fixed by sovereign governments. Governments or governmental bodies, including the European Central Bank, may intervene from time to time in their economies to alter the exchange rate or exchange characteristics of their currencies. For example, a central bank may intervene to devalue or revalue a currency or to replace an existing currency. In addition, a government may impose regulatory controls or taxes to affect the exchange rate of its currency or may issue a new currency or replace an existing currency. As a result, the amounts payable on and rate of return of an Instrument with a Settled Currency other than the Investor's Currency could be affected significantly and unpredictably by governmental actions. Even in the absence of governmental action directly affecting currency exchange rates, political or economic developments in the country or region issuing the Settled Currency for an Instrument with a Settled Currency other than the Investor's Currency or elsewhere could result in significant and sudden changes in the exchange rate between the Investor's Currency and the Settled Currency. Changes in exchange rates could affect the value of such Instruments as participants in the global currency markets move to buy or sell the Settled Currency of Investor's Currency in reaction to these developments.

If a governmental authority imposes exchange controls or other conditions, such as taxes on the exchange or transfer of the Settled Currency, there may be limited availability of the Settled Currency for payment

on the Instruments denominated in such currency at their maturity or on any other payment date. In addition, the ability of a Holder to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

In certain circumstances the relevant Issuer will not be obliged to maintain the listing of Instruments which are specified as being listed in the applicable Final Terms

When the relevant Issuer specifies in the applicable Final Terms that a Series of Instruments is to be admitted to trading on the Euro MTF market operated by the Luxembourg Stock Exchange and admitted to listing on the Official List of the Luxembourg Stock Exchange and/or listed or admitted to trading by any other relevant stock exchange or market, the relevant Issuer expects, but is not obliged, to maintain such listing of the Instruments on such exchange(s) or market(s). Changed circumstances, including changes in listing requirements, could result in a suspension or removal of any such listing, or cause the relevant Issuer to conclude that continued listing of the Instruments on such exchange(s) or market(s) is unduly burdensome.

Legal investment considerations may restrict certain investments

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

Holding CREST Depository Interests

Investors may hold the Instruments through CREST. CREST allows Holders to hold instruments in a dematerialised form rather than holding physical instruments. Instead of issuing physical instruments, CREST issues CDIs, representing the interests in the relevant Instruments underlying the CDIs (the "**Underlying Instruments**"). CDI Holders will hold, or have an interest in, a separate legal instrument and will not be the legal owners of the Instruments. The rights of CDI Holders to the Instruments are represented by the relevant entitlements against CREST Depository Limited (the "**CREST Depository**") through which CREST International Nominees Limited (the "**CREST Nominee**") holds interests in the Instruments. Accordingly, rights under the Instruments cannot be enforced by CDI Holders directly against the relevant Issuer; instead they must be enforced indirectly through CREST and certain companies acting as intermediary depositaries and custodians. The enforcement of rights under the Instruments will be subject to the local law of the relevant intermediaries. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Instruments in the event of any insolvency or liquidation of any of the relevant intermediaries, in particular where the Instruments 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 such risk should materialise, Holders may receive reduced payments under the Instruments and may not recover their investment in full or at all, which could pose a material risk for Holders.

CDIs are constituted under English law and transferred through CREST and will be issued by the CREST Depository pursuant to the CREST Deed Poll. The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the relevant Issuer, including the CREST Deed Poll. Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual issued by Euroclear UK & Ireland (including the CREST International Manual dated 14 April 2008) 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 (the "**CREST Rules**") contain indemnities, warranties, representations and undertakings to be given by CDI Holders, and limitations on the liability of the CREST Depository. CDI Holders are bound by such provisions and may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the amounts originally invested by them. As a result, the rights of, and returns received by, CDI Holders, may differ from those of holders of

Instruments which are not represented by CDIs. This could have an adverse effect on the payments received under the Instruments by Holders.

In addition, CDI Holders 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 (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 Instruments through the CREST International Settlement Links Service.

Potential investors should note that the Issuers, the Guarantor, the Dealers, the Agents or the Registrar will not have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations. The CDIs are not the subject of this Offering Circular.

9. **Risks Relating to the Structure of a Particular Issue of Instruments**

A wide range of Instruments may be issued under the Programme. A number of these Instruments may have features which contain particular risks for potential investors. Set out below is a description of the most common features.

(a) **General risks relating to Reference Item Linked Instruments**

Reference Item Linked Instruments will represent an investment linked to the economic performance of the relevant Reference Item(s) and potential investors should note that the return (if any) on their investment in such Instruments will depend upon the performance of such Reference Item(s). Potential investors should also note that whilst the market value of such Instruments is linked to such Reference Item(s) and will be influenced (positively or negatively) by such Reference Item(s), any change in the market value of such Instruments may not be comparable to changes in the market value of the Reference Item(s). It is impossible to predict how the market value of the relevant Reference Item(s) will vary over time. In addition, in contrast to a direct investment in the relevant Reference Item(s), such Instruments represent the right to receive payment or delivery, as the case may be, of the Cash Settlement Amount(s), the Final Redemption Amount(s) or the Entitlement, as the case may be, as well as periodic payments of interest or additional amounts (if specified in the applicable Final Terms), all or some of which and the value of which will be determined by reference to the performance of the relevant Reference Item(s) but which are likely to differ from and may be less than the return on a direct investment in the same Reference Items(s).

As the amounts payable and/or non-cash consideration deliverable in respect of Reference Item Linked Instruments are linked to the performance of the relevant Reference Item(s), a purchaser of such an Instrument must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Reference Item(s). Assuming all other factors are held constant, the lower the value of such an Instrument and the shorter the remaining term to expiration (in the case of a Warrant), exercise (in the case of a Certificate) or redemption (in the case of a Note), the greater the risk that purchasers of such Instrument will lose all or part of their investment.

Depending on the terms of the relevant Instruments, Reference Item Linked Instruments may be redeemed/settled on the maturity date/settlement date at an amount that is equal to (or nearly equal to), greater than or less than the amount invested. Except for Reference Item Linked Instruments that are structured to redeem/settle at a minimum amount on the maturity date/settlement date, investors in Reference Item Linked Instruments may risk losing their entire investment if the value of the relevant Reference Item(s) does not move in the anticipated direction. Regardless of the terms of the Instrument, all payments thereon are subject to the relevant Issuer's and (if applicable) the Guarantor's credit risk and their respective ability to pay their relevant obligations on the applicable payment dates.

POTENTIAL INVESTORS MUST REVIEW THE APPLICABLE FINAL TERMS TO ASCERTAIN WHAT THE RELEVANT REFERENCE ITEM(S) ARE AND TO SEE HOW THE CASH SETTLEMENT AMOUNT, FINAL REDEMPTION AMOUNT OR THE ENTITLEMENT, AS THE CASE MAY BE, AND ANY INTEREST PAYMENTS (IN THE CASE OF NOTES) OR ANY ADDITIONAL AMOUNT PAYMENTS (IN THE CASE OF W&C INSTRUMENTS) ARE DETERMINED AND WHEN SUCH AMOUNTS ARE PAYABLE

AND/OR DELIVERABLE, AS THE CASE MAY BE, BEFORE MAKING ANY DECISION TO PURCHASE ANY INSTRUMENTS.

Risks relating to Instruments which are linked to emerging market Reference Item(s)

Where the terms and conditions of the Instruments reference one or more emerging market Reference Item(s), investors in such Instruments should be aware that the political and economic situation in countries with emerging economies or stock markets may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of more developed countries, including a significant risk of currency value fluctuation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of a Reference Item investment in those countries. The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make the emerging market Reference Item(s) illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and as a result it may be difficult to assess the value or prospects of the Reference Item(s).

The relevant Issuer may redeem early or settle a Series of Instruments if an Additional Disruption Event occurs, causing the investor to lose some or all of its investment in such Series of Instruments

If Additional Disruption Events are specified as applicable in the Final Terms for the applicable Series of Instruments of the relevant Issuer, and one or more Additional Disruption Event occurs with respect to that Series of Instruments, the relevant Issuer may, in its sole and absolute discretion, cause the early redemption or settlement of such Series of Instruments in accordance with the applicable Conditions. If the relevant Issuer elects to redeem early or settle the Instruments as a result of an Additional Disruption Event, the amount payable or other consideration deliverable to the Holders may be significantly less than the investor's initial investment, and may be as low as zero. Additional Disruption Events include, among others, as specified in the applicable Final Terms and described in the applicable Conditions, (1) Change in Law, (2) Increased Cost of Hedging and (3) Hedging Disruption.

(b) **Risks associated with baskets comprised of various components as Reference Items**

Exposure to performance of basket and its components

Where the Instruments are linked to or reference a basket of assets, the investors in such Instruments are exposed to the performance of such basket. The investors will bear the risk of the performance of each of the basket components. See, as applicable, the risk factors set out in the sections entitled "Risks relating to Index Linked Instruments", "Risks relating to Share Linked Instruments", "Risks relating to GDR/ADR Linked Instruments", "Risks relating to FX Linked Instruments and other Instruments in respect of which "Exchange Rate" is specified to be applicable", "Risks relating to Commodity Linked Instruments", "Risks relating to Fund Linked Instruments", "Risks relating to Inflation Linked Instruments", "Risks relating to Credit Linked Instruments" and "Risks relating to Saudi Share Linked Warrants".

A high correlation of basket components may have a significant effect on amounts payable

Some Instruments are linked to baskets of Reference Items where the performance of such Reference Items tends to move in the same direction, or correlate, as a result of changes in market conditions, such as a change in interest rates. Correlation of basket components indicates the level of interdependence among the individual basket components with respect to their performance. If, for example, all of the basket components originate from the same sector and the same country, a high positive correlation may generally be assumed. Past rates of correlation may not be determinative of future rates of correlation: investors should be aware that, though basket components may not appear to be correlated based on past performance, it may be that they suffer the same adverse performance following a general downturn or

other economic or political event. Where the basket components are subject to high correlation, any move in the performance of the basket components will exaggerate the performance of the Instruments.

The negative performance of a single basket component may outweigh a positive performance of one or more other basket components

Investors in Instruments must be aware that even in the case of a positive performance of one or more basket components, the performance of the basket as a whole may be negative if the performance of the other basket components is negative to a greater extent, subject to the Conditions of the relevant Instruments.

A small basket, or an unequally weighted basket, will generally leave the basket more vulnerable to changes in the value of any particular Reference Item

The performance of a basket that includes a smaller number of Reference Items will generally, subject to the terms and conditions of the relevant Instruments, be more affected by changes in the value of any particular Reference Item included therein than a basket that includes a greater number of Reference Items.

The performance of a basket that gives greater weight to some Reference Items will generally, subject to the terms and conditions of the relevant Instruments, be more affected by changes in the value of any such particular Reference Item included therein than a basket that gives relatively equal weight to each Reference Item.

A change in composition of a basket may have an adverse effect on basket performance

Where the Instruments grant the Calculation Agent the right, in certain circumstances, to adjust the composition of the basket, investors should be aware that any replacement basket component may perform differently from the original basket component, which may have an adverse effect on the performance of the basket which will in turn have an adverse effect on the value of the Instruments.

(c) **Risks relating to Instruments linked to certain References Item(s)**

(i) **Risks relating to Index Linked Instruments**

Factors affecting the performance of Indices may adversely affect the value of the Instruments

Indices are comprised of a synthetic portfolio of shares, bonds, currency exchange rates, commodities, property or other assets, and as such, the performance of an Index is dependent upon the performance of components of such Index, which may include interest rates, currency developments, political factors, market factors such as the general trends in capital markets or broad based indices and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. If an Index does not perform as expected, this will materially and adversely affect the value of Index Linked Instruments.

Returns on the Instruments do not reflect a direct investment in underlying shares or other assets comprising the Index

The return payable on Instruments that reference Indices may not reflect the return a potential investor would realise if it actually owned the relevant assets comprising the components of the Index or owned a different form of interest in the relevant Index. For example, if the components of the Indices are shares, Holders will not receive any dividends paid or distributions made on those shares and will not participate in the return on those dividends or distributions unless the relevant Index takes such dividends into account for purposes of calculating the relevant level. Similarly, Holders will not have any voting rights in the underlying shares or any other assets which may comprise the components of the relevant Index. Accordingly, Holders of Instruments that reference Indices as Reference Items may receive a lower payment upon redemption/settlement of such Instruments than any return such Holder would have received if it had invested in the components of the Index directly or other comparable instruments linked to the Index.

Holders may receive physical delivery of Fund Shares of one or more Index-Related ETFs in lieu of payment of cash amounts

Where "Physical Settlement" is specified as applicable to the Index Linked Conditions in the relevant Final Terms, the relevant Issuer may redeem the Index Linked Instruments at their maturity by delivering Fund Shares of one or more Index-Related ETFs to the investor. In such case, the investors will receive such Fund Shares rather than a monetary amount upon maturity. Holders will, therefore, be exposed to such Index-Related ETFs and the risks associated with such Fund Shares. The investor should not assume that he or she will be able to sell such Fund Shares for a specific price after the redemption/settlement of the Instruments, and in particular not for the purchase price of the Index Linked Instruments. Under certain circumstances the Fund Shares may only have a very low value or may, in fact, be worthless, in which case see "Investors risk losing all of their investment in the Instruments" above. Holders may also be subject to certain documentary or stamp taxes in relation to the delivery and/or disposal of such Fund Shares. The holding of such Fund Shares instead of the Instruments may adversely affect the Holder's tax position.

A change in the composition or discontinuance of an Index could adversely affect the market value of the Instruments

The sponsor of any Index can add, delete or substitute the components of such Index or make other methodological changes that could change the level of one or more components. The changing of components of any Index may affect the level of such Index as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the payments made by the relevant Issuer to the Holders of the Index Linked Instruments. The sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The sponsor of an Index will have no involvement in the offer and sale of the Index Linked Instruments and will have no obligation to any Holder of such Instruments. Accordingly, the sponsor of an Index may take any actions in respect of such Index without regard to the interests of the Holder of the Instruments, and any of these actions could adversely affect the market value of the Index Linked Instruments.

Exposure to Index Modification, Index Cancellation, Index Disruption, Administrator/Benchmark Event and correction of Index levels

The Calculation Agent has broad discretion to make certain determinations and adjustments, to replace the original Reference Item with another and/or to cause early redemption/settlement of the Instruments, any of which may be adverse to Holders in connection with Index Modification, Index Cancellation, Index Disruption and Administrator/Benchmark Event. The Calculation Agent may determine that the consequence of any such event is to make adjustments to the Instruments, or to replace such Index with another or to cause early redemption/settlement of the Instruments. The Calculation Agent may (subject to the terms and conditions of the relevant Instruments) also amend the relevant Index level due to corrections in the level reported by the Index Sponsor. The consequences of such amendments could adversely affect the market value of the Index Linked Instruments.

There are additional risks in relation to "Proprietary Indices" or "Strategies"

See "There may be conflicts of interest between the relevant Issuer, its Affiliates and the Holders" above.

There are additional risks in relation to Commodity Indices

See "Additional risks in relation to the "rolling" of commodity futures contracts (including commodity futures contracts which are components of a Commodity Index)" below.

Specific risks relating to Index Linked Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" shall be applicable

Holders of Index Linked Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" shall be applicable should note that all payments made by the relevant Issuer will be made subject to deductions to account for any costs and taxes which a hypothetical broker dealer, directly or indirectly, could incur in connection with any hedging arrangements which such hypothetical broker dealer could make in order to hedge such Index Linked Instruments.

Further, certain Index Linked Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" shall be applicable ("**Index Linked LEPWs**"), the issuance, sale, transfer and/or holding of which may be subject to laws and regulations of the relevant jurisdiction in which the underlying index of such Index Linked LEPWs is listed and traded ("**Relevant Jurisdiction**"). Purchasers of such Index Linked LEPWs are required to comply with the applicable laws and regulations of the Relevant Jurisdiction.

In order to ensure compliance with these laws and regulations, each purchaser of the relevant Index Linked LEPWs is deemed to represent, warrant, agree and undertake on an ongoing basis its full compliance with the relevant selling restrictions and transfer restrictions applicable to the Relevant Jurisdiction set out in the "Offering and Sale" section of this Offering Circular, and agree and undertake to provide any additional disclosure or information that the relevant Issuer, MLI, BAC and/or their respective affiliates reasonably deem necessary or appropriate in order to comply with the regulations or requests from any governmental or regulatory authorities of the Relevant Jurisdiction from time to time.

Failure of any Holder to comply with the relevant selling restrictions or transfer restrictions applicable to the Relevant Jurisdiction and/or failure to provide the relevant Issuer and/or its affiliates promptly with the information described above and/or execute any document that the relevant Issuer, MLI, BAC and/or their respective affiliates reasonably deem necessary or appropriate in order to comply with the regulations or requests from any governmental or regulatory authorities of the Relevant Jurisdiction from time to time (each an "**LEPW Non-compliance Event**") will, if LEPW Non-compliance Event is specified as applicable in the Final Terms for the relevant Index Linked LEPWs, be an Additional Disruption Event which gives the relevant Issuer the right to make appropriate adjustments to the Terms and Conditions of the relevant Index Linked LEPWs or cancel such Index Linked LEPWs early.

Furthermore, if Regulatory Order is specified as applicable in the Final Terms for the relevant Index Linked LEPWs, in the event that a governmental or regulatory authority of the Relevant Jurisdiction has requested the relevant Issuer, MLI and/or their respective affiliates or agent to terminate or modify the relevant Index Linked LEPWs, any Applicable Hedge Positions or any Related Hedging Arrangement relating thereto, or otherwise imposes material requirements on the foregoing, the Guarantee, the holders or related documents, an Additional Disruption Event will occur which gives the relevant Issuer the right to make appropriate adjustments to the Terms and Conditions of the relevant Index Linked LEPWs or cancel such Index Linked LEPWs early.

Any adjustment and/or early termination of the relevant Index Linked LEPWs may result in the loss of some or all of the purchaser's investment.

Further, the adjustment and/or early termination right applies to the entire series of the relevant Index Linked LEPWs. Any breach by a single Holder may trigger adjustment and/or early termination of the entire series of such Index Linked LEPWs. Holders who are not in breach will also be affected as their holdings in the same series of such Index Linked LEPWs will be subject to adjustment and/or early termination caused by the breach of such other Holder.

There are additional risks in relation to Index-Linked Futures Contracts

Holders of Index Linked Instruments in respect of which the applicable Final Terms specify that the "Additional Terms and Conditions for Index-Linked Futures Contracts" shall be applicable should note that they are exposed to the performance of the Index-Linked Futures Contracts which, in turn, will be driven by the level of the underlying Index.

There will be a correlation between the level of an Index and the price at which an Index-Linked Futures Contract trades on the relevant futures or options exchange, and Holders will therefore be exposed to the performance of the Index.

However, Holders should also be aware that the expectations of dealers in Index-Linked Futures Contracts of the level of the Index on the date(s) on which the settlement amount of an Index-Linked Futures Contract is determined may also have an impact on the price of Index-Linked Futures Contracts on the Index. For example, if the expectation of dealers in options contracts is that the level of the Index will be lower on a future date when the settlement amount of the options contract is to be determined than the current level of the Index, this may result in the price of the options contract falling (in the case of a call option) or rising (in the case of a put option) even where the current level of the Index is rising.

Moreover, because the settlement amount of many options contracts is a multiple of the difference between the level of the Index on a future date and the strike, a relatively small change in the level of an Index may result in a proportionately much larger change in the price of the options contract.

If the expectation of dealers in futures contracts is that the settlement price of the Index on the date(s) on which the settlement amount of the futures contract is determined will be lower than the forward price of the Index specified in the contract, this may result in the price of the futures contract falling (in the case of buyers of the futures contract) or rising (in the case of sellers of the futures contract) even where the current level of the Index is rising. Moreover, because the settlement amount of many futures contracts is a multiple of the difference between the settlement price and the forward price, a relatively small change in the level of an Index may result in a proportionately much larger change in the price of the futures contract.

Instruments are not sold or promoted by an Index or the sponsor of such Index

Instruments linked to an Index are not sponsored, endorsed, sold, or promoted by such Index or the sponsor of such Index. The sponsor of an Index makes no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of such Index or the levels at which such Index stands at any particular time on any particular date. Neither an Index nor sponsor of such Index shall be liable (whether in negligence or otherwise) to any person for any error in such Index. A sponsor of an Index is under no obligation to advise any person of any error in such Index. A sponsor of an Index does not make any representation whatsoever, whether express or implied, as to the advisability of investing or assuming any risk in connection with the Instruments linked to such Index.

The relevant Issuer, BAC and BAC's Affiliates are not liable for the actions or omissions of the sponsor of an Index, any information concerning an Index, the performance of such Index or use thereof in connection with the Instruments

None of the relevant Issuer, BAC and any of BAC's Affiliates is liable to the Holders of Instruments for any act or failure to act by a sponsor of an Index in connection with the calculation, adjustment, or maintenance of such Index. Although the Calculation Agent will obtain information concerning an Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty, or undertaking (express or implied) is made and no responsibility is accepted by the relevant Issuer, BAC, any of BAC's Affiliates or the Calculation Agent as to the accuracy, completeness, and timeliness of information concerning such Index. In addition, none of the relevant Issuer, BAC, any of BAC's Affiliates and the Calculation Agent makes any representation whatsoever, whether express or implied, as to the performance of any Index which is linked to the Instruments, any data included in, or omitted from, such Index, or the use of such Index in connection with the Index Linked Instruments.

(ii) **Risks relating to Share Linked Instruments**

No issuer of the relevant Share(s) will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Share Linked Instruments

No Share Company or Companies will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Share Linked Instruments and none of the relevant Issuer, the Guarantor (if applicable) and any Dealer will make any investigation or enquiry in connection with such offering with respect to any information concerning any such Share Company or Companies contained in such Final Terms or in the documents from which such information was extracted. Neither the relevant Issuer nor the Guarantor (if applicable) controls any Share Company or Companies and are not responsible for any disclosure, misstatements or omissions made by any Share Company or Companies. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the adequacy, accuracy or completeness of the publicly available information described in this paragraph or in any applicable Final Terms) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such Share Company or Companies could affect the trading price of the Share(s) and therefore the trading price of the Instruments or amounts paid or delivered under the Instruments.

Factors affecting the performance of Shares may adversely affect the value of the Share Linked Instruments

The performance of Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. These factors are not within the relevant Issuer's or (if applicable) the Guarantor's control and may result in a decline in the value of the Instruments.

Holders have no claim against the Share Company or Companies or recourse to the Shares

Share Linked Instruments do not represent a claim against or an investment in any Share Company or Companies and investors will not have any right of recourse under the Share Linked Instruments to any such company or the Shares. Share Linked Instruments are not in any way sponsored, endorsed or promoted by any Share Company or Companies and such companies have no obligation to take into account the consequences of their actions for any Holders. Accordingly, the Share Company or Companies may take any actions in respect of such Share without regard to the interests of the investors in the Share Linked Instruments, and any of these actions could adversely affect the market value of the Share Linked Instruments.

Determinations made by the Calculation Agent in respect of Potential Adjustment Events, Merger Events, Tender Offers, De-listings, Nationalisations, Announcement Events, Insolvencies and Additional Disruption Events may have an adverse effect on the value of the Share Linked Instruments

Upon determining that a Potential Adjustment Event, Merger Event, Tender Offer, De-listing, Nationalisation, Announcement Event, Insolvency or Additional Disruption Event has occurred in relation to an underlying Share or Share Company, the Calculation Agent has broad discretion to make certain determinations to account for such event including to (i) make adjustments to the terms of the Share Linked Instruments and/or (ii) (in the case of a Merger Event, Tender Offer, De-listing, Nationalisation, Announcement Event, Insolvency or Additional Disruption Event) cause early redemption/settlement of the Share Linked Instruments, any of which determinations may have an adverse effect on the value of the Share Linked Instruments. In particular, in the event that the Share Linked Instruments are early settled/redeemed, the amount payable to Holders may be significantly less than the investor's initial investment, and may be as low as zero.

If Announcement Event is specified to be applicable, the Calculation Agent may exercise the broad discretions described in the paragraph above based on a public announcement by the Share Company or a third party of an intention to take an action or enter into a transaction that would, if taken or consummated prior to final valuation of the Share Linked Instruments, constitute a Merger Event, Tender Offer, De-Listing or Nationalisation, regardless of whether the action or transaction is taken or consummated prior to final valuation of the Share Linked Instruments or at all.

Potential Adjustment Events include (a) a sub-division, consolidation or re-classification of the Shares, (b) an extraordinary dividend, (c) a call of the Shares that are not fully paid, (d) a repurchase by the Share Company, or an affiliate thereof, of the Shares, (e) a separation of rights from the Shares or (f) any event having a dilutive or concentrative effect on the value of the Shares. Additional Disruption Events include (1) a change in applicable law since the Trade Date that makes it illegal to hold, acquire or dispose of the Shares or more expensive for the relevant Issuer to hedge its obligations under the relevant Share Linked Instruments, (2) an insolvency filing by or on behalf of any issuer of the relevant Share(s), (3) Increased Cost of Hedging and (4) Hedging Disruption.

Holders may receive physical delivery of Shares in lieu of payment of cash amounts

Where the Share Linked Instruments include the right of the relevant Issuer, subject to the fulfilment of a particular condition, to redeem the Share Linked Instruments at their maturity by delivering Shares to the investor, the investors will receive such Shares rather than a monetary amount upon maturity. Holders will, therefore, be exposed to the Share Company or Companies and the risks associated with such Shares. The investor should not assume that he or she will be able to sell such Shares for a specific price after the redemption/settlement of the Instruments, and in particular not for the purchase price of the Share Linked Instruments. Under certain circumstances the Shares may only have a very low value or may, in fact, be worthless, in which case see "Investors risk losing all of their investment in the

Instruments" above. Holders may also be subject to certain documentary or stamp taxes in relation to the delivery and/or disposal of such Shares. The holding of such Shares instead of the Instruments may adversely affect the Holder's tax position.

Holders will have no voting rights and may have no right to receive dividends or distributions in respect of the relevant Shares

Except as provided in the relevant Conditions in relation to Physical Delivery Instruments, Holders of Share Linked Instruments will not have voting rights or any other rights with respect to the relevant Shares to which such Share Linked Instruments relate.

Unless the "Dividend Conditions" are applicable for Share Linked Instruments, Holders of Share Linked Instruments will not have rights to receive dividends or distributions. As a result, the return on the Share Linked Instruments may not reflect the return an investor would realise if the investor actually owned those relevant Shares and received the dividends paid or other distributions made in connection with them.

Specific risks relating to Share Linked Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" shall be applicable

Share Linked Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" shall be applicable are linked to the value of specified Shares during a specified period. If cash dividends are declared and paid on such Shares during such specified period, Holders of such Share Linked Instruments shall receive such amounts, less deductions for local taxes (including withholding taxes). Holders of such Share Linked Instruments should note that they will not acquire any interest in or right to acquire the relevant Shares, and will not in any way have any rights with respect to the relevant Shares (including voting rights). There is no obligation on the relevant Issuer or any of its Affiliates to purchase, sell, hold, deliver, pledge or transfer any such Shares. In addition, the Additional Amount(s) and/or the Cash Settlement Amount (if any) due to Holders of such Share Linked Instruments will generally be payable in a currency other than the currency in which the relevant Shares are denominated; as a result, the returns to Holders will be subject to exchange rate risk as well.

Holders of such Share Linked Instruments should note that following the occurrence of any Potential Adjustment Event, the Calculation Agent may make certain determinations in respect of such Share Linked Instruments, such as the issue of additional Share Linked Instruments to Holders or the issue to Holders of new Share Linked Instruments linked to the relevant Share or the share capital or other securities of another company created as a result of a spin-off or other similar transaction relating to the relevant Share Company or the distribution of a cash amount to Holders or the adjustment of the terms and conditions of such Share Linked Instruments, in each case, to account for the diluting or concentrative effect of such Potential Adjustment Event. Holders of such Share Linked Instruments should note that none of the relevant Issuer, the Guarantor (if applicable) and any of their respective affiliates are in a position to advise or give assurance to the Holders as to the impact to the economic, legal or tax position of such Holders as a result of such determinations or actions to the Holders. Holders of such Share Linked Instruments should consult their own business, accounting, regulatory, legal, tax and other professional advisers with respect to any consequences or considerations (whether relating to tax or otherwise) which may be relevant to or which may result from any such determinations or actions.

Holders of such Share Linked Instruments should also note that all payments made by the relevant Issuer (other than additional amounts) will be made subject to deductions to account for any costs and taxes which a hypothetical broker dealer, directly or indirectly, could incur in connection with any hedging arrangements which such hypothetical broker dealer could make in order to hedge such Share Linked Instruments.

The Share Linked Instruments may give exposure to a specified China A share traded through the China Connect Service. Holders of such Share Linked Instruments should also note the specific risks relating to China Connect Share LEPW set out in the paragraph below.

Specific Risks relating to Share Linked Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" and "China Connect Share LEPW Conditions" shall be applicable

Share Linked Instruments in respect of which the applicable Final Terms specify that the "LEPW Conditions" and "China Connect Share LEPW Conditions" shall be applicable are linked to the value of specified A shares traded through "China Connect". "China Connect" refers to the Shanghai-HK Connect and/or the Shenzhen-HK Connect as the case may be. China Connect is a securities trading and clearing links programme, initially developed by the Shanghai Stock Exchange ("**SSE**"), the Stock Exchange of Hong Kong Limited ("**SEHK**"), the China Securities Depository and Clearing Corporation and the Hong Kong Securities Clearing Company Limited for the establishment of mutual market access between SSE and SEHK ("**Shanghai-HK Connect**"). Shanghai-HK Connect is a platform for foreign investors to invest in eligible A shares listed and traded on the SSE. Following the launch of the Shanghai-HK Connect in November 2014 and the joint announcement made by the China Securities Regulatory Commission ("**CSRC**") and the Securities and Futures Commission ("**SFC**") on 16 August 2016, a similar securities trading and clearing links programme for giving mutual market access between the Shenzhen Stock Exchange ("**SZSE**") and the SEHK has been launched ("**Shenzhen-HK Connect**"). Shenzhen-HK Connect extends the current arrangements of Shanghai-HK Connect by linking up the SZSE and the SEHK. Shenzhen-HK Connect is a platform for foreign investors to invest in eligible A shares listed and traded on the SZSE. The relevant Issuer or its Affiliates may (but are not obliged to) hedge the relevant Issuer's obligations under such Share Linked Instruments through China Connect.

China Connect has some unique features and restrictions, including (without limitation) daily quota restrictions, eligibility criteria for A shares that can be traded through China Connect, and restrictions on the ability of an investor to take up certain types of rights issuances through China Connect, and restrictions on investor eligibility for trading A shares listed on the ChiNext Market of the SZSE ("**ChiNext Shares**") through the Shenzhen-HK Connect. Trading through China Connect is also subject to the laws, regulations, rules and guidelines published or applied by the exchanges, clearing systems and regulators in Hong Kong and the PRC which provide services in relation to and/or regulate activities relating to China Connect ("**China Connect Rules**").

China Connect has been launched since 2014 and is subject to further development. There is no assurance as to whether or how such developments may affect an investment in securities traded through China Connect. Also, the interpretation and application of the China Connect Rules is untested and there is uncertainty as to how they will be applied.

Holders of such Share Linked Instruments should note that these potential restrictions and uncertainties relating to China Connect may trigger a Hedging Disruption, a Potential Adjustment Event or an Additional Disruption Event, or may lead to adjustments to the terms or early termination of such Share Linked Instruments, and any disruption to or early closure of China Connect may trigger a Market Disruption Event, all as provided for in the China Connect Share LEPW Conditions.

Additional risks associated with investing in Instruments linked to ChiNext Share

ChiNext is a board market of SZSE for innovative enterprises and other growing start-ups. The rules and regulations regarding securities traded on ChiNext are less stringent in terms of profitability and share capital than those in respect of the SZSE Main Board Market or the SZSE SME Board Market. As such, securities traded on ChiNext will be subject to higher market volatility than securities traded on the Main Board Market or the SME Board Market of SZSE. Holders of Instruments linked to ChiNext Share will be exposed to a higher underlying market volatility.

Currently, the Rules of SEHK restrict the buying and selling of ChiNext Shares traded through the Shenzhen-HK Connect to institutional professional investors (as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) ("**Institutional Professional Investors**") only. Accordingly, purchase of any Instruments over ChiNext Share will be limited to Institutional Professional Investors only.

Trading of China A shares through China Connect may be subject to laws and regulations in the PRC and Hong Kong (each a "**Relevant Jurisdiction**"). Further, any purchase, offer or sale of LEPWs linked to ChiNext Shares traded through China Connect ("**ChiNext Share LEPW**") will be subject to ChiNext Share Connect Selling Restrictions as set out in the "Offering and Sale" of this Offering Circular.

In order to ensure compliance with these laws and regulations, each purchaser of a ChiNext Share LEPW is deemed to represent, warrant, agree and undertake its full compliance with the ChiNext Share Connect Selling Restrictions set out in the "Offering and Sale" of this Offering Circular. Failure of any Holder to

comply with the ChiNext Share Connect Selling Restrictions (an "**LEPW Non-compliance Event**") will be an Additional Disruption Event which gives the relevant Issuer the right to make appropriate adjustments to the Terms and Conditions of such LEPWs or cancel such LEPWs early.

Furthermore, in the event that a governmental or regulatory authority of any Relevant Jurisdiction has requested the relevant Issuer, MLI and/or their respective affiliates or agent to terminate or modify the LEPWs, any Applicable Hedge Positions or any Related Hedging Arrangement relating thereto, or otherwise imposes material requirements on the foregoing, the Guarantee, the holders or related documents, an Additional Disruption Event will occur which gives the relevant Issuer the right to make appropriate adjustments to the Terms and Conditions of the LEPWs or cancel the LEPWs early.

Any adjustment and/or early termination of the LEPWs may result in the loss of some or all of the purchaser's investment.

Further, the adjustment and/or early termination right applies to the entire series of the LEPWs. Any breach by a single Holder may trigger adjustment and/or early termination of the entire series of the LEPWs. Holders who are not in breach will also be affected as their holdings in the same series of LEPWs will be subject to adjustment and/or early termination caused by the breach of such other Holder.

Specific risks relating to Share Linked Instruments linked to a share listed and/or traded on a stock exchange in a jurisdiction (a "Relevant Jurisdiction") in respect of which the applicable Final Terms specify that the "LEPW Conditions" shall be applicable ("LEPW")

In respect of LEPWs issued by the relevant Issuer, the issuance, sale, transfer and/or holding of such LEPWs may be subject to laws and regulations in the Relevant Jurisdiction. Purchasers of LEPWs are required to comply with the applicable laws and regulations of the Relevant Jurisdiction.

In order to ensure compliance with these laws and regulations, each purchaser of a LEPW is deemed to represent, warrant, agree and undertake on an ongoing basis its full compliance with the relevant selling restrictions and transfer restrictions applicable to the Relevant Jurisdiction set out in the "Offering and Sale" section of this Offering Circular, and agree and undertake to provide any additional disclosure or information that the relevant Issuer, MLI, BAC and/or their respective affiliates reasonably deem necessary or appropriate in order to comply with the regulations or requests from any governmental or regulatory authorities of the Relevant Jurisdiction from time to time.

Failure of any Holder to comply with the relevant selling restrictions or transfer restrictions applicable to the Relevant Jurisdiction and/or failure to provide the relevant Issuer and/or its affiliates promptly with the information described above and/or execute any document that the relevant Issuer, MLI, BAC and/or their respective affiliates reasonably deem necessary or appropriate in order to comply with the regulations or requests from any governmental or regulatory authorities of the Relevant Jurisdiction from time to time (each an "**LEPW Non-compliance Event**") will, if LEPW Non-compliance Event is specified as applicable in the Final Terms for the applicable Series of LEPW, be an Additional Disruption Event which gives the relevant Issuer the right to make appropriate adjustments to the Terms and Conditions of the LEPWs or cancel the LEPWs early.

Furthermore, if Regulatory Order is specified as applicable in the Final Terms for the applicable Series of LEPW, in the event that a governmental or regulatory authority of the Relevant Jurisdiction has requested the relevant Issuer, MLI and/or their respective affiliates or agent to terminate or modify the LEPWs, any Applicable Hedge Positions or any Related Hedging Arrangement relating thereto, or otherwise imposes material requirements on the foregoing, the Guarantee, the holders or related documents, an Additional Disruption Event will occur which gives the relevant Issuer the right to make appropriate adjustments to the Terms and Conditions of the LEPWs or cancel the LEPWs early.

Any adjustment and/or early termination of the LEPWs may result in the loss of some or all of the purchaser's investment.

Further, the adjustment and/or early termination right applies to the entire series of the LEPWs. Any breach by a single Holder may trigger adjustment and/or early termination of the entire series of the LEPWs. Holders who are not in breach will also be affected as their holdings in the same series of LEPWs will be subject to adjustment and/or early termination caused by the breach of such other Holder.

(iii) **Risks relating to GDR/ADR Linked Instruments**

Exposure to risk that redemption amounts do not reflect direct investment in the shares underlying the Depositary Receipts

There are important differences between the rights of holders of ADRs or GDRs (ADRs and GDRs, together, "**Depositary Receipts**") and the rights of holders of the stock of the issuer of underlying shares represented by such Depositary Receipts. A Depositary Receipt is a security that represents capital stock of the relevant underlying share issuer. The relevant Deposit Agreement for the Depositary Receipt sets out the rights and responsibilities of the Depositary (being the issuer of the Depositary Receipt), the underlying share issuer and holders of the Depositary Receipt which may be different from the rights of holders of the underlying shares. For example, the underlying share issuer may make distributions in respect of its underlying shares that are not passed on to the holders of its Depositary Receipts. Any such differences between the rights of holders of the Depositary Receipts and holders of the underlying shares of the underlying share issuer may be significant and may materially and adversely affect the value of the relevant GDR/ADR Linked Instruments.

Exposure to the risk of non-recognition of beneficial ownership of the underlying shares represented by Depositary Receipts and therefore generally do not include dividends

The legal owner of the underlying shares represented by Depositary Receipts is the custodian bank which at the same time is the issuing agent of the Depositary Receipts. Depending on the jurisdiction under which the Depositary Receipts have been issued and the jurisdiction to which the custodian agreement is subject, it is possible that the corresponding jurisdiction would not recognise the purchaser of the Depositary Receipts as the actual beneficial owner of the underlying shares. Particularly in the event that the custodian becomes insolvent or that enforcement measures are taken against the custodian, it is possible that an order restricting free disposition could be issued with respect to the underlying shares represented by Depositary Receipts or that such shares are realised within the framework of an enforcement measure against the custodian. If this is the case, the holder of the Depositary Receipt loses the rights under the underlying shares and the GDR/ADR Linked Instruments would become worthless. See "Investors risk losing all of their investment in the Instruments" above.

Potential exposure to risks of emerging markets

Depositary Receipts often represent shares of underlying share issuers based in emerging market jurisdictions. In such case, there are risks relating to GDR/ADR Linked Instruments linked to Depositary Receipts which represent such underlying shares. See "Risks relating to Instruments which are linked to emerging market Reference Item(s)" above.

Adjustment to the terms and conditions or replacement of the Reference Item following certain corporate events in relation to the underlying shares represented by Depositary Receipts may materially and adversely affect the value of the Instruments

Following certain corporate events specified in the terms and conditions of the relevant GDR/ADR Linked Instruments relating to the underlying shares represented by Depositary Receipts or the relevant issuer of such underlying shares, such as a merger where the relevant company is not the surviving entity, the amount Holders of GDR/ADR Linked Instruments will receive, if any, at maturity of such Instruments may be adjusted by the Calculation Agent or the affected underlying shares and Depositary Receipts may be replaced by another Reference Item. The occurrence of such corporate events and the consequential adjustments may materially and adversely affect the value of the GDR/ADR Linked Instruments.

Holders of Instruments are exposed to changes in the rate of exchange between the currency of the Depositary Receipt and the underlying share

Where the currency of the Depositary Receipt is different from that of the underlying share, represented by a Depositary Receipt, Holders of Instruments linked to such Depositary Receipt may be exposed not only to the performance of the Depositary Receipt but also to the performance of the relevant foreign currency of the underlying share, which cannot be predicted. See "Factors affecting the performance of the relevant foreign exchange rate may adversely affect the value of the Instruments" below.

(iv) **Risks relating to FX Linked Instruments and other Instruments in respect of which "Exchange Rate" is specified to be applicable**

Factors affecting the performance of the relevant foreign exchange rate may adversely affect the value of the Instruments

In the case of FX Linked Instruments or any other Instruments in respect of which "Exchange Rate" is specified to be applicable in the applicable Final Terms, any changes to the foreign exchange rate(s) to which such Instruments are linked will affect the nature and value of the investment return on such Instruments. The performance of foreign exchange rates is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to international and domestic political factors, economic factors (including inflation rates in the countries concerned, interest rate differences between the respective countries), economic forecasts, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Measures taken by governments and central banks include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a Specified Currency that would affect exchange rates and the availability of a Specified Currency which would affect the return on such an Instrument or the ability of the relevant Issuer to make delivery in the Specified Currency.

BAC is a major foreign exchange dealer and is subject to conflicts of interest

Investors should note that BAC and its Affiliates (including Merrill Lynch International) are regular participants in the foreign exchange markets and in the ordinary course of their business may effect transactions for their own account or for the account of their customers and hold long and short positions in currencies and related derivatives, including in the currencies of the relevant foreign exchange rate(s). Such transactions may affect the relevant foreign exchange rate(s) and the market price, liquidity or value of the Instruments and could be adverse to the interests of Holders. Neither BAC nor any of its Affiliates has any duty to enter into such transactions in a manner which is favourable to Holders.

Currencies of emerging markets jurisdictions pose particular risks

Instruments (including FX Linked Instruments) which expose the investor to emerging market currencies may experience greater volatility and less certainty as to the future levels of such emerging market currencies or their rate of exchange as against other currencies. See "Risks relating to Instruments which are linked to emerging market Reference Item(s)" above.

(v) **Risks relating to Commodity Linked Instruments**

An investment in Commodity Linked Instruments entails significant risks in addition to those associated with investments in a conventional debt security.

Ownership of the Commodity Linked Instruments will not entitle an investor to any rights with respect to any futures contracts or Commodities included in or tracked by the Reference Item(s)

An investor will not own or have any beneficial or other legal interest in, and will not be entitled to any rights with respect to, any of the Commodities or commodity futures contracts included in such Reference Item(s). Neither the relevant Issuer nor the Guarantor (if applicable) will invest in any of the Commodities or commodity futures contracts included in such Reference Item(s) on behalf or for the benefit of the Holders.

Factors affecting the performance of Commodities may adversely affect the value of the Commodity Linked Instruments; Commodity prices may be more volatile than other asset classes

The prices of Commodities may be volatile and may fluctuate substantially if, for example, natural disasters or catastrophes, such as hurricanes, fires, or earthquakes, affect the supply or production of such Commodities. Commodity prices also fluctuate due to general macro-economic forces and general market movements. The price of Commodities may also fluctuate substantially if conflict or war affects the supply or production of such Commodities. If any amount payable in respect of an Instrument is linked to the price of a Commodity, any change in the price of such Commodity may result in the reduction of the amount of such payment in respect of an Instrument. The reduction in the amount

payable on the redemption/settlement of the Instrument may result, in some cases, in a Holder receiving a smaller sum on redemption/settlement of the Instrument than the amount originally invested in such Commodity Linked Instrument.

Commodity Linked Instruments may reference physical commodities or commodity contracts, and Commodity Indices may include commodity contracts that are not traded on regulated exchanges

Commodities comprise both (i) "physical" commodities, which need to be stored and transported, and which are generally traded at a "spot" price, and (ii) commodity contracts, which are agreements either to (a) buy or sell a set amount of an underlying physical commodity at a predetermined price and delivery period (which may be referred to as a delivery month), or to (b) make and receive a cash payment based on changes in the price of the underlying physical commodity.

Commodity Indices are typically based solely on futures contracts traded on regulated futures exchanges; however, a Commodity Index may include over-the-counter contracts traded on trading facilities outside the United States that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. Accordingly, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the provisions of, and the protections afforded by, the applicable regulations governing regulated futures exchanges. As a result, the trading of contracts on such facilities and the inclusion of such contracts in a Commodity Index may be subject to certain risks not presented by most exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts, and any Instruments which reference any such commodity contracts may have reduced liquidity or greater price volatility or be subject to more extensive market disruptions.

Commodity Linked Instruments which are linked to commodity futures contracts may provide a different return from Commodity Linked Instruments linked to the relevant physical commodity and will have certain other risks

The price of a futures contract on a commodity will generally be at a premium or at a discount to the spot price of the underlying commodity. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (e.g., warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the commodity, there can be significant differences in the liquidity of the spot and the futures markets. Accordingly, Commodity Linked Instruments which are linked to commodity futures contracts may provide a different return from Commodity Linked Instruments linked to the relevant physical commodity.

Investments in futures contracts involve certain other risks, including potential illiquidity. A holder of a futures position may find that such position becomes illiquid because certain commodity exchanges limit fluctuations in such futures contract prices pursuant to "daily limits". Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in the contract can neither be taken nor liquidated unless holders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Any such losses in such circumstances could have a negative adverse effect on the return of any Commodity Linked Instruments the Reference Item of which is the affected futures contract. There can be no assurance that any such disruption or any other force majeure (such as an act of God, fire, flood, severe weather conditions, act of governmental authority or a labour dispute or shortage) will not have an adverse effect on the value of or trading in the Reference Item(s), or the manner in which it is calculated, and therefore, the value of the Instruments.

In the case of a direct investment in commodity futures contracts, the invested capital may be applied in whole or in part by way of collateral in respect of the future claims of the respective counterparties under the commodity futures contracts. Such capital will generally bear interest, and the interest yield will increase the return of the investor making such direct investment. However, Holders of Instruments linked to the price of commodity futures contracts do not participate in such interest yields from the hypothetical fully collateralised investment in commodity futures contracts.

Additional risks in relation to the "rolling" of commodity futures contracts (including commodity futures contracts which are components of a Commodity Index)

Commodity contracts have a predetermined expiration date, which is the date on which trading of the commodity contract ceases. Holding a commodity contract until expiration will result in delivery of the underlying physical commodity or the requirement to make or receive a cash settlement. Alternatively, "rolling" the commodity contracts means that the commodity contracts that are nearing expiration (the "**near-dated commodity contracts**") are sold before they expire and commodity contracts that have an expiration date further in the future (the "longer-dated commodity contracts") are purchased. Investments in commodities apply "rolling" of the component commodity contracts in order to maintain an ongoing exposure to such commodities.

"Rolling" can affect the value of an investment in commodities in a number of ways, including:

(i) **The investment in commodity contracts may be increased or decreased through "rolling"**: Where the price of a near-dated commodity contract is greater than the price of the longer-dated commodity contract (the commodity is said to be in "backwardation"), then "rolling" from the former to the latter will result in exposure to a greater number of the longer-dated commodity contract being taken. Therefore, any loss or gain on the new positions for a given movement in the prices of the commodity contract will be greater than if one had synthetically held the same number of commodity contracts as before the "roll". Conversely, where the price of the near-dated commodity contract is lower than the price of the longer-dated commodity contract (the commodity is said to be in "contango"), then "rolling" will result in exposure to a smaller number of the longer-dated commodity contract being taken. Therefore, any gain or loss on the new positions for a given movement in the prices of the commodity contract will be less than if one had synthetically held the same number of commodity contracts as before the "roll".

(ii) **Where a commodity contract is in contango (or, alternatively, backwardation) it may be expected to (though it may not) have a negative (or, alternatively, positive) effect over time**: Where a commodity contract is in "contango", the price of the longer-dated commodity contract will generally be expected to (but may not) decrease over time as it nears expiry. In such event, rolling is generally expected to have a negative effect on an investment in the commodity contract. Where a commodity contract is in "backwardation", the price of the longer-dated commodity contract will generally be expected to (but may not) increase over time as it nears expiry. In such event, the investment in the relevant commodity contract can generally be expected to be positively affected.

Commodity indices are indices which track the performance of a basket of commodity contracts on certain commodities, depending on the particular index. The weighting of the respective commodities included in a commodity index will depend on the particular index, and is generally described in the relevant index rules of the index. Commodity indices apply "rolling" of the component commodity contracts in order to maintain an ongoing exposure to such commodities. Specifically, as a commodity contract is required to be rolled pursuant to the relevant index rules, the commodity index is calculated as if exposure to the commodity contract was liquidated and exposure was taken to another (generally longer-dated) commodity contract for an equivalent exposure. Accordingly, the same effects as described above with regard to "rolling" on the value of a Commodity Reference Item also apply with regard to the index level of a Commodity index.

Legal and regulatory changes relating to the Commodities may lead to adjustment to, or early redemption or settlement of, the Commodity Linked Instruments, and could adversely affect the return on and value of the Commodity Linked Instruments

The legal and regulatory regimes of Commodities in many jurisdictions, including, in particular, the United States and Europe, may change in ways that could increase the level of regulation of markets and market participants, reduce liquidity, increase market volatility and increase the costs of participating in the commodity or futures markets which could negatively affect an interest in Commodity Linked Instruments.

In the United States, the regulation of commodity transactions is subject to ongoing modification by governmental and judicial action. For example, the U.S. Commodity Futures Trading Commission ("**CFTC**") has interpreted the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which was enacted in July 2010, to require the CFTC to impose limits on the size of positions that can be held by market participants in futures contracts and OTC derivatives on certain physical commodities. The CFTC's rules providing for such position limits have been, and may in the

future be, subject to litigation challenging their validity, the potential final outcome of which cannot be known at this time. While the ultimate scope and effect of any final and implemented position limit rules are not yet known, these limits will likely restrict the ability of many market participants to trade in the commodities markets to the same extent as they have in the past, including affecting their ability to enter into or maintain hedge positions in the applicable commodity or futures contracts. These rules and various other legislative and regulatory requirements may, among other things, reduce liquidity, increase market volatility, and increase costs in these markets. These consequences could adversely affect the applicable Reference Item and the Commodity Linked Instruments.

In addition, other governmental or regulatory bodies (such as the European Commission) have proposed or may propose in the future legislation or regulations containing restrictions similar to those contemplated by the Dodd-Frank Act, or other legislation or regulations containing other restrictions that could adversely impact the liquidity of, and increase the costs of, participating in the commodities markets. In Europe, the European Market Infrastructure Regulation ("**EMIR**") and its accompanying technical standards, as well as MiFID II and its implementing measures, seek to address concerns in relation to the monitoring of counterparty credit risk of OTC derivatives market participants, transparency and liquidity in financial markets. For example, under the recast MiFID II and the accompanying Markets in Financial Instruments Regulation ("**MiFIR**"), there are requirements to establish position limits on trading commodity derivatives. The implementing regulations and technical standards are currently subject to review and consultation and the scope of the final rules remains unclear.

Any such changes to the legal and regulatory regime in relation to Commodities may adversely affect the relevant Issuer's obligations in respect of any underlying or hedging transactions in relation to the Commodity Linked Instruments, or may make it unlawful or infeasible, in whole or in part, for any reason for the relevant Issuer to access the commodity markets for purposes of managing commodity market risk, which may lead to adjustment to, or early redemption/settlement of, the Commodity Linked Instruments. In the event of an early redemption/settlement, any early settlement amount or early redemption amount may be less than the purchase price of the Commodity Linked Instruments, and may be zero.

In addition, any such changes to the legal and regulatory regime in relation to Commodities could have an adverse impact on the price of a Commodity, or the return on a Commodity Index, and the return on and value of the Commodity Linked Instruments.

Data sourcing and calculation risks associated with a Commodity Index and the commodity contracts underlying a Commodity Index may adversely affect the value of the Commodity Index

The closing level of a Commodity Index or the prices of commodity contracts underlying such Commodity Index will be calculated based on price data that are subject to potential errors in data sources or other errors that may affect the closing levels published by the relevant sponsor of a Commodity Index or the prices published by the relevant price source(s) for such underlying commodity contracts, as applicable. Also, there may be errors in any other data sourced by the sponsor of a Commodity Index. Such errors could adversely affect the closing level of the Commodity Index on any given day, which could in turn have an adverse effect on the value of the Instruments and any amount payable under the Instruments. There can be no assurance that any error or discrepancy on the part of any data source or sponsor will be corrected or revised or that the sponsor of a Commodity Index will incorporate any such correction or revision into the calculation of such Commodity Index. None of the sponsor of a Commodity Index, the Issuers and the Guarantor makes any representation or warranty, express or implied, as to the correctness or completeness of that information or takes any responsibility for the accuracy of such data or the impact of any inaccuracy of such data on the relevant level of such Commodity Index, or on the value of any commodity contracts included in such Commodity Index.

(vi) **Risks relating to Fund Linked Instruments**

No Fund will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Fund Linked Instruments

No Fund will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Fund Linked Instruments and none of the relevant Issuer, the Guarantor (if applicable) and any Dealer will make any investigation or enquiry in connection with such offering with respect to any information concerning any such Fund contained in such Final Terms or in the documents from which

such information was extracted. Neither the relevant Issuer nor the Guarantor (if applicable) controls any Fund or is responsible for any disclosure, misstatements or omissions made by any Fund. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the adequacy, accuracy or completeness of the publicly available information or in any applicable Final Terms) that would affect the net asset value of a unit (or fund interest) in the relevant Fund(s) or, the share price of the Fund Shares of the relevant Exchange Traded Fund(s) ("**ETFs**"), will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such Fund could affect the net asset value of a unit (or fund interest) in such Fund, or the share price of the Fund Shares of such ETFs, and therefore the trading price of the Instruments or amounts paid or delivered under the Instruments.

A Fund may be subject to Fund Events which may adversely impact the value of Fund Linked Instruments

If certain events specified as Fund Events occur, the Calculation Agent may replace the Fund by other Funds and thereafter the amount payable in respect of the Fund Linked Instruments will depend on and be calculated by reference to the performance of an alternate asset. This may have a considerable impact on the value of the Fund Linked Instruments and the amount payable in respect of the Fund Linked Instruments. Alternatively, any determination dates and payment dates may be changed by the Calculation Agent, or the amount paid per Fund Linked Instrument may be based on the only cash amounts that an investor in the fund actually received, which might be as low as zero.

Risk from composition and changes to a Fund

The management company of a Fund can, without regard to the interests of the investors in the Fund Linked Instruments, add, delete or substitute any Funds by reference to which the value of a Fund is calculated or make other methodological changes that could change the investment profile of a Fund. The management company may also determine to discontinue a Fund. If a Fund is discontinued, it may be replaced by other assets and/or the Fund Linked Instruments may be redeemed or exercised early.

In the event that a Fund is materially modified or permanently cancelled or the management company fails to calculate or announce the net asset value of a Fund, the Calculation Agent either will make such adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms and conditions of the Fund Linked Instruments as the Calculation Agent determines appropriate to account for the effect on the Fund Linked Instruments of such events, or may redeem or exercise the Fund Linked Instruments early. Any of these decisions or determinations may adversely impact the value of the Fund Linked Instruments. In the event that the Fund Linked Instruments are early settled/redeemed, the amount payable to an investor may be less than the investor's initial investment, and may be as low as zero.

Funds may be subject to transfer restrictions and illiquidity

Funds and the assets thereof may be subject to transfer restrictions arising by way of applicable securities laws or otherwise. Such restrictions may mean that purchasers of the Fund Linked Instruments are not entitled to acquire interests in the Funds directly. Holders of units or shares in a Fund may have the right to transfer or withdraw their investment in the Funds only at certain times and upon completion of certain documentary formalities and such rights may be subject to suspension or alteration. These circumstances may affect the net asset value of the Funds in question. Potential investors should familiarise themselves with the features of the Funds in this regard.

Events which affect the value of a Fund will affect the value of Fund Linked Instruments

The occurrence of any of the following events could materially and adversely affect the value of shares or units in a Fund, and have a consequent material and adverse effect on the value of Fund Linked Instruments:

- *Valuation*: The valuation of Funds is generally controlled by the management company of the Fund. Valuations are performed in accordance the terms and conditions governing the Fund. Such valuations may be based upon the unaudited financial records of the Fund and any accounts pertaining thereto. Such valuations may be preliminary calculations of the net asset values of the Fund and accounts. The Fund may hold a significant number of investments which are

illiquid or otherwise not actively traded and in respect of which reliable net asset values may be difficult to obtain. In consequence, the management company may vary certain quotations for such investments held by the Fund in order to reflect its judgement as to the fair value thereof. Therefore, valuations may be subject to subsequent adjustment upward or downward. Uncertainties as to the valuation of Fund assets and/or accounts may have an adverse effect on the net asset value of the Fund where such judgements regarding valuations prove to be incorrect.

- *Trading charges*: The performance of a Fund will be affected by the charges incurred thereby relating to the investments of such Fund. The Fund may engage in short-term trading which may result in increased turnover and associated higher than normal brokerage commissions and other expenses.

- *Legal and regulatory changes*: Future changes to applicable law or regulation may be adverse to a Fund.

- *Investment risk*: All investments risk the loss of capital and/or the diminution of investment returns. A Fund may utilise (*inter alia*) strategies such as short-selling, leverage, securities lending and borrowing, investment in sub-investment grade or non-readily realisable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, each of which could, in certain circumstances, magnify adverse market developments and losses.

- *Illiquidity*: A Fund may make investments in markets that are volatile and/or illiquid and it may be difficult or costly for positions therein to be opened or liquidated.

- *Performance risk*: No assurance can be given relating to the present or future performance of a Fund. The performance of a Fund is dependent on the performance of the management company thereof. Certain management companies may utilise analytical models upon which investment decisions are based. No assurance can be given that these persons will succeed in meeting the investment objectives of the Fund, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which the Funds have invested or will invest will prove accurate.

- *Effect of exchange rates and exchange controls*: The net asset value of a Fund could be adversely affected not only by hedging costs and changes in exchange rates, but also by local exchange control regulations and other limitations, including currency exchange limitations and political and economic developments in the relevant countries.

- *Market risks*: The markets in which a Fund invests may prove to be highly volatile from time to time as a result of, for example, sudden changes in government policies on taxation and currency repatriation or changes in legislation relating to the value of foreign ownership in companies, and this may affect the net asset value at which a Fund may liquidate positions to meet repurchase requests or other funding requirements.

- *Hedging risks*: A Fund may in certain cases employ various hedging techniques to reduce the risk of investment positions. A substantial risk remains, nonetheless, that such techniques will not always be available and when available, will not always be effective in limiting losses. A Fund may take substantial unhedged positions.

- *Interest rate risks*: The values of securities held by a Fund (or by any underlying Fund) tend to be sensitive to interest rate fluctuations and unexpected fluctuations in interest rates could cause the corresponding net asset values of a Fund's positions to move in directions which were not initially anticipated. To the extent that interest rate assumptions underlie the hedge ratios implemented in hedging a particular position, fluctuations in interest rates could invalidate those underlying assumptions and expose a Fund to losses.

- *Absence of regulation*: A Fund will generally not be regulated under the laws of any country or jurisdiction. As a result, certain protections of such laws (which, among other things, may require investment companies to have disinterested directors, require securities to be held in

custody and segregated, regulate the relationship between the investment company and its adviser and mandate investor approval before fundamental investment policies may be changed) do not apply to a Fund. This absence of regulation may adversely affect the performance of a Fund.

- *Suspension of trading*: A securities exchange typically has the right to suspend or limit trading in any instrument traded on that exchange. A suspension could render it impossible for a Fund to liquidate positions and thereby expose a Fund to losses.

- *Dependence on key individuals*: The success of a Fund is dependent on the expertise of its managers. The loss of one or more individuals could have a material adverse effect on the ability of a Fund manager to direct a fund's portfolio, resulting in losses for a Fund and a decline in the value of a Fund. Indeed, certain fund managers may have only one principal, without whom the relevant Fund manager could not continue to operate.

- *Experience of Fund managers*: Certain Funds may be managed by investment managers who have managed hedge funds for a relatively short period of time. The previous experience of such investment managers is typically in trading proprietary accounts of financial institutions or managing unhedged accounts of institutional asset managers or other investment firms. As such investment managers do not have direct experience in managing Funds or hedge funds, including experience with financial, legal or regulatory considerations unique to Fund management, and there is generally less information available on which to base an opinion of such managers' investment and management expertise, investments with such investment managers may be subject to greater risk and uncertainty than investments with more experienced Fund managers.

- *Risk of fraud*: There is a risk that a Fund manager could divert or abscond with the assets, fail to follow agreed-upon investment strategies, provide false reports of operations or engage in other misconduct.

- *Performance compensation payable to Fund managers*: The performance-based compensation paid to a Fund manager is typically calculated on a basis that includes unrealised appreciation and may consequently be greater than if such compensation were based solely on realised gains. Each Fund generally calculates its own performance compensation based on its individual performance, irrespective of increases in the overall value of the Fund. Furthermore, when the Fund is rebalanced and an unprofitable underlying asset is removed, the loss carried forward by such Fund's trading is eliminated for purposes of calculating subsequent performance compensation due to the Fund manager of any replacement underlying asset. Thus, there may be substantial incentive compensation due to the relevant Fund manager even during a period when the portfolio of assets is incurring significant losses.

- *Concentration risk*: As many hedge funds have the authority to concentrate their investments in securities of a single issuer or industry, the overall adverse impact on one or more components of the fund, and correspondingly on the value of the Fund, of adverse movements in the value of such securities could be considerably greater than if the Fund were not permitted to concentrate their investments. Moreover, a number of hedge funds included as components in a Fund might accumulate substantial positions in the same or related instruments at the same time. As information regarding the actual investments made by such funds is not generally available, the management company will be unable to identify any such accumulations, which could expose the relevant Fund to the risk of sudden and severe declines.

- *Risks of leverage*: A Fund may borrow without limitation and typically utilises various lines of credit and other forms of leverage. In addition, certain of a Fund's investment strategies (primarily those utilising derivative instruments) may involve indirect forms of leverage. While leverage presents opportunities for increasing a Fund's total return, it increases the potential risk of loss as well. Any event which adversely affects the value of an investment by a Fund is magnified to the extent that such investment is leveraged. Leverage can have a similar effect on issuers in which a Fund invests. The use of leverage by a Fund could result in substantial losses which would be greater than if leverage had not been used. A Fund's assets may be further leveraged or hedged by the use of derivatives. In addition, investments of a fund may include investments in partnerships and other pooled investment vehicles, which themselves

employ leverage to a significant extent. Such investments are subject to the same leverage risks as described above and a Fund could lose its entire investment. As a general matter, the banks and dealers that provide financing to a fund can apply essentially discretionary margin, haircut, financing and security and collateral valuation policies. Changes by banks and dealers in these policies may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous net asset values.

- *Non-deductible taxes*: As Funds may be resident in so-called off-shore jurisdictions, which have not entered into any double taxation conventions with other countries, any income of such Fund may be subject to taxation in the countries of origin. As such withholding taxes are non-deductible due to the fact that such Funds are not subject to income taxation in their countries of residence, the Fund's net income may be reduced which may have a negative impact on the performance of such Fund.

- *Investment criteria*: It may be difficult to specify precisely or comprehensively the strategies of a Fund. As a result, it may not sometimes be clear whether or not a Fund fulfils the investment criteria set out in its offering document.

- *Risks of equity investments*: The investment orientation of a Fund may be based to a significant extent on equity investments. Investment in equity securities to aggressively seek capital appreciation is speculative and is generally perceived to encompass greater risks than those involved in connection with an investment in debt securities of comparable issuers.

- *Risks of fixed income investments*: A Fund may invest in fixed income securities and, therefore, may be exposed to the risk of default by the issuers of such securities. Such default may result in delays in payment, or non-payment of interest or principal when due. Furthermore, the net asset value of fixed income securities may also fluctuate with changes in prevailing interest rates and/or in the creditworthiness of the issuer, and these fluctuations may result in a loss of capital by a Fund.

- *Risks of collective investment schemes*: Some Funds may invest in other collective investment schemes. Investment in schemes of this type may afford the investor less transparency in respect of the ultimate assets of the scheme.

- *Large transactions*: Large subscriptions and redemptions may result in the liquidation or dilution of fund assets that may affect the net asset value of such Fund.

- *Emerging markets*: A Fund may invest in securities of governments of, or companies domiciled in, less-developed or emerging markets. See "Risks relating to Instruments which are linked to emerging market Reference Item(s)" above. Custody arrangements in such countries may also present enhanced risk.

- *Risks of repos*: A Fund may use repurchase agreements. Under a repurchase agreement, a security is sold to a buyer and at the same time the seller of the security agrees to buy back the security at a later date at a higher net asset value. In the event of a bankruptcy or other default of the transferor of securities in a repurchase agreement, a Fund could experience delays in liquidating the underlying securities and losses, including possible declines in the value of the collateral during the period while it seeks to enforce its rights thereto; possible subnormal levels of income and lack of access to income during this period and the expenses of enforcing its rights. In the case of a default by the transferee of securities in a repurchase agreement, the management company bears the risk that the transferee may not deliver the securities when required.

- *Risks of currency speculation*: A Fund may engage in exchange rate speculation. Foreign exchange rates have been highly volatile in recent years. The combination of volatility and leverage gives rise to the possibility of large profit but also carries a high risk of loss. In addition, there is counterparty credit risk since foreign exchange trading is done on a principal to principal basis.

- *Risks of commodity futures*: Commodity futures prices can be highly volatile. As a result of the low margin deposits normally required in futures trading, an extremely high degree of leverage

is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the investor. Like other leveraged investments, a futures transaction may result in losses in excess of the amount invested.

- *Risks of derivative instruments*: A Fund may use derivative instruments, such as collateralised debt obligations, stripped mortgage-backed securities, options and swaps. There are uncertainties as to how the derivatives market will perform during periods of unusual price volatility or instability, market illiquidity or credit distress. Substantial risks are also involved in borrowing and lending against such instruments. The prices of these instruments are volatile, market movements are difficult to predict and financing sources and related interest rates are subject to rapid change. One or more markets may move against the positions held by a Fund, thereby causing substantial losses. Most of these instruments are not traded on exchanges but rather through an informal network of banks and dealers. These banks and dealers have no obligation to make markets in these instruments and may apply essentially discretionary margin and credit requirements (and thus, in effect, force a Fund to close out its relevant positions). In addition, such instruments carry the additional risk of failure to perform by the counterparty to the transaction. Government policies, especially those of the Federal Reserve Board and non-U.S. central banks, have profound effects on interest and exchange rates which, in turn, affect prices of derivative instruments. Many other unforeseeable events, including actions by various government agencies and domestic and international political events, may cause sharp market fluctuations.

- *Risks of short selling*: A Fund may sell securities short. Short selling exposes a Fund to theoretically unlimited risk due to the lack of an upper limit on the price to which a security may rise. Short selling involves the sale of borrowed stock. If a stock loan is called, the short seller may be forced to repurchase the stock at a loss. In addition, some traders may attempt to profit by forcing short sellers to incur a loss. Traders may make large purchases of a stock that has been sold short. The large purchases are intended to drive up the stock price, and cause the short sellers to incur losses. By doing this, the traders hope that the short sellers will limit their losses by repurchasing the stock and force the stock price even higher.

- *Risks of arbitrage*: The use of arbitrage strategies by a Fund in no respect should be taken to imply that such strategies are without risk. Substantial losses may be incurred on "hedge" or "arbitrage" positions, and illiquidity and default on one side of a position may effectively result in the position being transformed into an outright speculation. Every arbitrage strategy involves exposure to some second order risk of the market, such as the implied volatility in convertible bonds or warrants, the yield spread between similar term government bonds or the net asset value spread between different classes of stock for the same underlying firm. Further, there are few examples of "pure" arbitrage Funds. Most Funds also employ limited directional strategies which expose them to market risk.

- *Credit risk*: Many of the markets in which a Fund effects its transactions are "over-the-counter" or "inter-dealer" markets. The participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. To the extent that a Fund invests in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, such Fund may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterised by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from these protections, which in turn may subject a Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract or because of a credit or liquidity problem. Such "counterparty risk" is increased for contracts with longer maturities when events may intervene to prevent settlement. The ability of a Fund to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities, and the absence of a regulated market to facilitate settlement, may increase the potential for losses.

- *Risks relating to controlling stakes*: A Fund may take controlling stakes in companies. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise and other types of related liability.

- *Price volatility*: The market price of Fund Linked Instruments may be volatile and may depend on the time remaining to the redemption date or settlement date (as applicable) and the volatility of the price of Fund share(s) or unit(s). The price of Fund share(s) or unit(s) may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any units in the Fund or Funds may be traded.

As the shares of certain Funds may only be redeemable on certain dates, there is a risk of delays or defaults in payment

The shares of a Fund may only be redeemable on certain redemption dates, subject to the prescribed notice period in respect of such Fund. This gives rise to a time delay between the execution of an order for redemption and payment of the proceeds on such redemption. If the Fund becomes insolvent following the date on which a redemption order would have to be notionally placed or the Calculation Agent determines that the relevant Fund would fail to pay to any shareholder in cash the full redemption proceeds owing to them if they redeemed their shares on the relevant date, an adjustment may be made by the Calculation Agent when calculating the return on the Instruments to the net asset value per share of the relevant Fund, thereby reducing the return on the Instruments.

In the case of Fund Linked Instruments linked to ETFs, if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred at any relevant time, any such determination may have an effect on the timing of valuation and consequently the value of the Instruments and/or may delay settlement in respect of the Fund Linked Instruments. Potential investors should review the relevant Conditions and the applicable Final Terms to ascertain whether and how such provisions apply to the Fund Linked Instruments.

In the case of Fund Linked Instruments linked to ETFs, following the declaration by the ETF of the occurrence of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical relevant Fund Shares and, if so, will (i) make the corresponding adjustment, if any, to any of the terms of the relevant Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Fund Linked Instruments.

In addition, in the case of Fund Linked Instruments linked to ETFs, if a Merger Event, Tender Offer, De-Listing, Material Underlying Event, Nationalisation or Insolvency occurs in relation to any Fund Share, the relevant Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the relevant Conditions and/or the applicable Final Terms to account for the Merger Event, Tender Offer, De-Listing, Material Underlying Event, Nationalisation or Insolvency and determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Fund Linked Instruments; or

(ii) redeem or cancel, as applicable, all of the Fund Linked Instruments. In the event of such redemption or cancellation the amount payable to an investor may be less than the investor's initial investment, and may be as low as zero.

The Instruments are not sold or promoted by any ETF Party

The Instruments are not regulated, sponsored, endorsed, underwritten, guaranteed, sold, marketed, or promoted by any ETF issuer or its affiliates (including for sake of clarity, any underwriters, custodians, and distributors) or the sponsor or owner of any underlying index or other component (each an "**ETF Party**"). No ETF Party has passed on, or makes any representation, warranty, or guarantee, to the owners of the Instruments or any member of the public regarding, the suitability, advisability, results to be

obtained, or legality, of investing in the Instruments, or as to the Instruments' descriptions, disclosures, or disclaimers. No ETF Party has any obligation or liability in connection with the operation, marketing, trading or sale of the Instrument. Third party trademarks are property of their respective owners.

NO ETF PARTY MAKES ANY WARRANTIES AND BEARS NO LIABILITY (WHETHER IN NEGLIGENCE OR OTHERWISE) WITH RESPECT TO THE INSTRUMENTS, OR ANY UNDERLYING ETF, INDEX, OR OTHER COMPONENT, (INCLUDING WITHOUT LIMITATION: THEIR QUALITY, ACCURACY, TIMELINESS, COMPLETENESS; FOR ERRORS, OMISSIONS, UNAVAILABILITY, OR INTERRUPTIONS THEREIN; AS TO MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE), OR FOR ANY DIRECT, SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL, CONSEQUENTIAL DAMAGES, OR LOST PROFITS.

(vii) **Risks relating to Inflation Linked Instruments**

A relevant consumer price index or other formula linked to a measure of inflation to which the Instruments are linked may be subject to significant fluctuations that may not correlate with other indices. Any movement in the level of the index may result in a reduction of the interest payable on the Instruments, and in the case of Instruments with a settlement/redemption amount linked to inflation, in a reduction of the amount payable on settlement/redemption which in some cases could be less than the amount originally invested.

The timing of changes in the relevant consumer price index or other formula linked to the measure of inflation comprising the relevant index or indices may affect the actual yield to investors on the Inflation Linked Instruments, even if the average level is consistent with their expectations.

An index to which interest payments on an Inflation Linked Instrument and/or the redemption amount of an Inflation Linked Instrument are linked is only one measure of inflation for the relevant jurisdiction, and such index may not correlate perfectly with the rate of inflation experienced by Holders in such jurisdiction.

(viii) **Risks relating to Credit Linked Instruments**

General risks relating to Credit Linked Instruments

The Issuers may issue Credit Linked Instruments where the amount payable is dependent upon whether certain events ("**Credit Events**") have occurred in respect of one or more Reference Entity/Entities and, if so, on the value of certain specified assets of such Reference Entity/Entities or where, if one or more Credit Events have occurred, on redemption the relevant Issuer's obligation is to deliver certain specified assets.

Holders of any such Credit Linked Instruments should be aware that depending on the terms of the Credit Linked Instruments (i) they may receive no or a limited amount of interest or additional amounts, (ii) the payment of the redemption amount, interest or additional amounts or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

The market price of Credit Linked Instruments may be volatile and will be affected by, amongst other things, the time remaining to the redemption date or settlement date, as applicable, prevailing credit spreads and the creditworthiness of the Reference Entity/Entities which in turn may be affected by the economic, financial and political events in one or more jurisdictions. Risks relating to Credit Linked Instruments may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of such Instruments and/or in increased losses for holders of such Instruments.

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of any Credit Linked Instruments. The views of market participants and/or legal counsel may differ as to how the terms of market standard credit default swaps, and the corresponding terms of any Credit Linked Instruments, should be interpreted in the context of such actions, or such terms may operate in a manner contrary to the expectations of market participants and/or adversely to the interests of holders of any Credit Linked Instruments. Holders of any Credit Linked Instruments should be aware that the Reference Entities to which the value of such Instruments

are exposed, and the terms of such exposure, may change over the term of such Instruments. Reference Entities may not be subject to regular reporting requirements under Luxembourg securities laws and may report information in accordance with different disclosure and accounting standards. Consequently, the information available for such Reference Entities may be different from, and in some cases less than, the information available for entities that are subject to the reporting requirements under the Luxembourg securities laws. None of the relevant Issuer, the Guarantor (if applicable), the Calculation Agent and any of their respective affiliates make any representation as to the accuracy or completeness of any information available with respect to the Reference Entities.

Holders may be affected by Credit Events that occur before the Issue Date

Holders of Credit Linked Instruments may suffer a loss of some or all of their investment if one or more Credit Events occur on or after the Credit Event Backstop Date (which may fall prior to the Issue Date). None of the Calculation Agent, the relevant Issuer, the Guarantor (if applicable) and any of their respective affiliates has any responsibility to avoid or mitigate the effects of a Credit Event that has taken place prior to the Issue Date.

There may be increased risks associated with Nth-to-Default Instruments

Where the Credit Linked Instruments are Nth-to-Default Instruments, the relevant Credit Linked Instruments will be subject to redemption in full as described above upon the occurrence of a Credit Event in relation to the Nth Reference Entity in relation to which an Event Determination Date has occurred. With Nth-to-Default Instruments, the credit risk to holders of the Instruments may be increased as a result of, amongst other things, 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.

There may be increased risks associated with Tranched Portfolio CLNs

If a Credit Event occurs in respect of a Reference Entity that results in an Incurred Loss Amount, the Outstanding Principal Amount of the Credit Linked Notes shall be reduced by the sum of the lesser of: (a) the Outstanding Principal Amount; and (b) the relevant Settlement Amount, which amount may be at a considerable discount to par and could be zero and interest will cease to accrue from the immediately preceding Interest Payment Date with respect to an amount equal to the relevant Settlement Amount with respect to such Reference Entity and Credit Event.

If following the occurrence of a Credit Event, the Outstanding Principal Amount of the Credit Linked Notes is reduced to zero, the Credit Linked Notes will be redeemed early. An investor therefore risks losing all of its principal and interest.

Further, if on an Interest Determination Date, the Calculation Agent determines that a potential Credit Event has occurred or a Credit Event has occurred which, in either case, could result in the determination of an Incurred Loss Amount, then interest shall be deferred in an amount which would have accrued on the Reference Entity Notional Amount of the relevant affected Reference Entity until the actual Settlement Amount can be determined and, in such cases, any interest which would have been paid had the relevant potential Credit Event or Credit Event been determined in the same Interest Period shall be paid on a deferred basis on the Interest Payment Date following the date on which the relevant Settlement Amount has been determined.

Since payment under the Credit Linked Notes is linked to the credit of the Reference Portfolio, Holders will be exposed to the credit risk of the Reference Entity to the full extent of the principal amount of their Credit Linked Notes. Holders will have no right to vote or exercise any other right or remedy with respect to any Reference Entity or any of its obligations.

The relevant Issuer, the Guarantor (if applicable), the Dealer(s) and the Calculation Agent have no duty to disclose use of non-public information with respect to any Reference Entity

The relevant Issuer, the Guarantor (if applicable), the Dealer(s), the Calculation Agent or any of their respective Affiliates may have acquired, or during the term of the Credit Linked Instruments may acquire, non-public information with respect to the Reference Entity/Entities that they may not disclose. Potential investors must therefore make an investment decision based upon their own due diligence and purchase the Credit Linked Instruments in the knowledge that non-public information which the relevant Issuer, the Guarantor (if applicable), the Dealer(s), the Calculation Agent or any of their respective Affiliates

may have will not be disclosed to investors. None of the relevant Issuer, the Guarantor (if applicable), the Dealer(s), the Calculation Agent and any of their respective Affiliates is under any obligation (i) to review on the Holders' behalf, the business, financial conditions, prospects, creditworthiness, status or affairs of the Reference Entity/Entities or conduct any investigation or due diligence into the Reference Entity/Entities or (ii) other than as may be required by applicable rules and regulations relating to the Credit Linked Instruments, to make available (a) any information relating to the Instruments or (b) any non-public information they may possess in respect of the Reference Entity/Entities.

An investor has no rights with respect to the Reference Entity in respect of any Credit Linked Instruments

None of the Issuer, the Guarantor (if applicable) or the Dealer have the ability to control or predict the actions of the Reference Entity, including actions that could affect the value of any Credit Linked Instruments. No amounts paid with respect to the Credit Linked Instruments will be paid to the Reference Entity; the Reference Entity will not be involved in the offering of the Credit Linked Instruments in any way; and the Reference Entity will not have any obligation to consider any investor's interest as a Holder of the Credit Linked Instruments in taking any actions that might affect the value of the Credit Linked Instruments. As a Holder of the Credit Linked Instruments, an investor will not have voting rights, rights to receive distributions or any other rights or remedies with respect to any obligations of the Reference Entity.

A Credit Event may occur even if the relevant Issuer does not suffer any loss

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

Risks relating to Physical Settlement

Where the Credit Linked Instruments provide that the applicable Settlement Method is "Physical Settlement", or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Physical Settlement", the relevant Issuer may determine that the specified assets to be delivered are either (a) assets which (i) for any reason (including, without limitation, failure of the relevant clearing system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the Delivery of assets which are loans) it is impossible or illegal to deliver on the specified settlement date or (ii) it is impracticable to Deliver on the specified settlement date because (1) the relevant holder(s) has not taken any action that is deemed necessary by the Calculation Agent to enable such Delivery or (2) the holder(s) has failed to provide know-your-customer information sign and deliver relevant transfer documentation and/or confidentiality agreement, pay a fee to the agent to effect the transfer and/or provide any other information or documentation or make any other payment (including taxes) specified under the terms of the relevant specified asset or as is customary to provide in respect of such specified asset or (b) assets which the relevant Issuer and/or any Affiliate and/or agent has not received under the terms of any transaction and/or trading position entered into by the relevant Issuer and/or such Affiliate and/or agent to hedge the relevant Issuer's obligations in respect of the Credit Linked Instruments.

Any such determination may delay settlement in respect of the Credit Linked Instruments and/or cause the obligation to deliver such specified assets to be replaced by an obligation to pay a cash amount which, in either case, may affect the value of the Credit Linked Instruments and, in the case of payment of a cash amount, will affect the timing of the valuation of such Credit Linked Instruments and as a result, the amount payable on redemption. Potential investors should review the relevant Conditions and the applicable Final Terms to ascertain whether and how such provisions should apply to the Credit Linked Instruments.

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

In the event that a Governmental Intervention Credit Event or certain Restructuring Credit Events which, in each case, constitute an Asset Package Credit Event occurs, the assets that may be delivered to the Holders may include 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 comprised of illiquid assets and/or may be worth significantly less than the original Prior Deliverable Obligation or Package Observable Bond prior to such Asset Package Credit Event. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero. In these circumstances, Holders may lose all or a substantial portion of their investment.

Risks relating to Cash Settlement

If the applicable Settlement Method is "Cash Settlement", or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Cash Settlement", then, following the occurrence of a Credit Event, the Calculation Agent will be required to seek quotations in respect of selected obligations of the affected Reference Entity. Such quotations may not be available, or the level of such quotations may be substantially reduced as a result of illiquidity in the relevant markets or as a result of factors other than the credit risk of the affected Reference Entity (for example, liquidity constraints affecting market dealers). Accordingly, any quotations so obtained may be significantly lower than the value of the relevant obligation which would be determined by reference to (for example) the present value of related cashflows. Quotations may be deemed to be zero in the event that no such quotations are available. This could result in a lower or zero recovery rate for investors in such Instruments.

If the relevant Issuer has discretion to choose the portfolio of obligations to be valued or delivered following a Credit Event in respect of a Reference Entity, it is likely that the portfolio of obligations selected will be obligations of the Reference Entity with the lowest market value that are permitted to be selected pursuant to the terms of any relevant Credit Linked Instruments. This could result in a lower recovery value and hence greater losses for investors in such Instruments.

Risks relating to Auction Settlement

If, in relation to any Credit Linked Instruments, "Auction Settlement" is applicable, and a Credit Derivatives Determinations Committee publishes auction settlement terms in respect of a Reference Entity (and the relevant seniority of the Reference Obligation), then the Calculation Agent will determine the Auction Settlement Amount in accordance with such auction settlement terms. The losses determined pursuant to a market auction process may be greater than the losses which would have been determined in the absence of the auction. In particular, the auction process may be affected by technical factors or operational errors which would not otherwise apply or may be the subject of actual or attempted manipulation. Auctions may be conducted by ISDA or by a relevant third party. None of the Calculation Agent, the relevant Issuer, the Guarantor (if applicable) and any of their respective affiliates has any responsibility for verifying that any auction price is reflective of current market values for establishing any auction methodology or for verifying that any auction has been conducted in accordance with its rules. If the Dealer, the relevant Issuer, the Guarantor (if applicable), the Calculation Agent or any of their respective Affiliates participates in any auction for the purposes of such an auction, then it will do so without regard to the interests of the holders of the Credit Linked Instruments. Such participation may have a material effect on the outcome of the relevant auction. Where the terms of any Credit Linked Instruments state "M(M)R Restructuring" to be applicable and the relevant Credit Event is an M(M)R Restructuring, several concurrent but separate Auctions may occur with respect to such Reference Entity and such Credit Event. In certain circumstances, the relevant Issuer may apply specific Parallel Auction Settlement Terms notifying Holders of the relevant Instruments. The Auction Final Price may be based on one or more obligations of the Reference Entity having a final maturity date different from the Restructured Bond or Loan and this may affect the Auction Settlement Amount determined in respect of the Credit Linked Instruments. 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 Auction Settlement Amount being payable to the Holders than would have been the case following the relevant Credit Event had the Auction Final Price been determined only by reference to Deliverable Obligations.

Settlement of Credit Linked Instruments may not occur until six months or more after a Credit Event

In accordance with the Credit Linked Note Conditions and Credit Linked W&C Conditions, settlement of Credit Linked Instruments may occur up to six months or more after a Credit Event. The date for settlement will be determined in accordance with the Credit Linked Note Conditions, Credit Linked W&C Conditions and the relevant Final Terms. During this period holders will be exposed to settlement risk (including, without limitation, credit risk of the Issuer and, other than in the case of Secured Instruments, the Guarantor, liquidity risk, legal risk and certain market risks). See risk factors "*Risk Factors Relating to the Relevant Issuer's and (with respect to the Instruments other than Secured Instruments) the Guarantor's Ability to Fulfil Their Respective Obligations Under the Relevant Instruments*", "*Risk Factors Relating to BAC and the Group and to the Group's Businesses and Industry*" and "*Risks Relating to the Market Generally*" above for further detail on these dimensions of settlement risk.

Unwind costs may be deducted from the amounts payable to Holders of Credit Linked Instruments

Investors should note that amounts paid or delivered in respect of any Credit Linked Instruments may take into account Unwind Costs which are determined by the Calculation Agent to be equal to all costs, expenses, taxes and duties, incurred by the relevant Issuer and/or any of its Affiliates and/or agents in connection with the redemption or cancellation of the Credit Linked Instruments and the related termination, settlement or re-establishment of any hedge or related trading position.

The determinations of the Calculation Agent are binding on Holders

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent shall (in the absence of manifest error) be final and binding on the relevant Issuer, the Guarantor (if applicable) and the holders. In performing its duties pursuant to the Credit Linked Instruments, the Calculation Agent shall act in its sole and absolute discretion. In making any determinations expressed to be made by it, for example as to substitute Reference Obligations or Successors, the Calculation Agent is under no obligation to consider the interests of the relevant Issuer, the Guarantor (if applicable) or the Holders. If the Final Terms specify that "Calculation Agent Determination" is applicable, the relevant Issuer and the Calculation Agent may, but will not be required to apply any DC Resolution to any Credit Linked Instruments unless the Calculation Agent notifies the relevant Issuer that any DC Resolution shall apply to such Credit Linked Instruments.

Holders should note that the Calculation Agent may modify the terms of any Credit Linked Instruments without the consent of the Holders of such Instruments to account for any DC Resolution.

Risks relating to the Credit Derivatives Determinations Committees

The institutions represented on the Credit Derivatives Determinations Committee owe no duty to the holders of Credit Linked Instruments and have the ability to make determinations that may materially affect the holders of Credit Linked Instruments. The Credit Derivatives Determinations Committee will be able to make determinations without action or knowledge of the holders of Credit Linked Instruments. Holders of Credit Linked Instruments will have no role in the composition of the Credit Derivatives Determinations Committee. Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committee and the holders of Credit Linked Instruments will have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committee will change from time to time in accordance with the DC Rules, as the term of an institution may expire or an institution may be required to be replaced. To the extent applicable, the Credit Linked Instruments will be subject to the determinations made by such selected institutions in accordance with the DC Rules.

Holders of Credit Linked Instruments will have no recourse against either the institutions serving on the Credit Derivatives Determinations Committee or any external reviewers. Institutions serving on the Credit Derivatives Determinations Committee and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the DC Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on the Credit Derivatives Determinations Committee do not owe any duty to the holders

of Credit Linked Instruments and the holders of Credit Linked Instruments will be prevented from pursuing claims with respect to actions taken by such institutions under the DC Rules.

Holders of Credit Linked Instruments should also be aware that institutions serving on the Credit Derivatives Determinations Committee have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committee is not obligated to follow previous determinations and, therefore, could reach a conflicting determination on a similar set of facts. If the relevant Issuer, the Guarantor (if applicable) or the Calculation Agent or any of their respective Affiliates serve as a member of the Credit Derivatives Determinations Committee at any time, then they will act without regard to the interests of the holders of Credit Linked Instruments.

Holders of Credit Linked Instruments are responsible for obtaining information relating to deliberations of the Credit Derivatives Determinations Committee. Notices of questions referred to the Credit Derivatives Determinations Committee, meetings held to deliberate such questions and the results of binding votes will be published on the ISDA website and none of the relevant Issuer, the Guarantor (if applicable), the Calculation Agent and any of their respective affiliates shall be obliged to inform the holders of Credit Linked Instruments of such information (other than as expressly provided in respect of such Instruments).

Holders of Credit Linked Instruments should also be aware that following the occurrence of a Credit Event Resolution Request Date in respect of a Reference Entity, any obligation of the relevant Issuer to redeem or cancel or otherwise settle any such Instruments or pay any amount in respect thereof may be suspended until the occurrence of a DC Credit Event Announcement, a DC No Credit Event Announcement or a DC Credit Event Question Dismissal.

Risks relating to the Physical Settlement Matrix

Holders of Credit Linked Instruments should be aware that the terms applicable to each Reference Entity incorporate the terms of the Physical Settlement Matrix for the Transaction Type specified in respect of such Reference Entity.

Risks relating to Short Credit Linked W&C Instruments

Holders of Short Credit Linked W&C Instruments should be aware that under the terms of such Credit Linked Instruments the Holders are purchasing credit protection on the relevant Reference Entity/Entities and consequently they may only receive a payout where such Short Credit Linked W&C Instruments are exercised following the occurrence of a Credit Event. If no Credit Event occurs during the life of the Short Credit Linked W&C Instruments then such Short Credit Linked W&C Instruments shall expire worthless unless otherwise provided in the terms of such Short Credit Linked W&C Instruments. In certain circumstances where an M(M)R Restructuring Credit Event has occurred, Holders may be entitled to deliver a Credit Event Notice to the relevant Issuer. None of the relevant Issuer, the Guarantor, the Calculation Agent and any of their respective affiliates shall have any obligation to inform the Holders at any time when they may be entitled to deliver such Credit Event Notice.

Risks relating to amendments in accordance with market convention or otherwise

Calculation Agent's powers to amend terms without Holders' consent

Holders should note that the Calculation Agent may (but shall not be obliged to) from time to time, without obtaining their consent or consulting them:

(i) amend fundamental credit-linked provisions (including but not limited to the applicable Transaction Type, Credit Events, Deliverable Obligation Category, Deliverable Obligation Characteristics and deliverability, Reference Obligation, Successor and other provisions) in the Credit Linked Note Conditions and Credit Linked W&C Conditions or other provisions of the Instruments to correspond with those specified as applicable for a particular Reference Entity in the most recently published ISDA Credit Derivatives Definitions, ISDA Credit Derivatives Physical Settlement Matrix version, SRO List and/or prevailing trading standards applicable to such Reference Entity;

(ii) amend any provision of the Credit Linked Note Conditions, Credit Linked W&C Conditions or the Instruments to incorporate and/or reflect further or alternative documents from time to time

published by ISDA with respect to credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees which the Calculation Agent determines are necessary to reflect market practice for credit derivative transactions; and/or

(iii) in circumstances where a Reference Entity has proposed an exchange of all or substantially all of the obligations of such Reference Entity into cash, securities and/or other assets, elect to make certain amendments to any provision of the Credit Linked Note Conditions, the Credit Linked W&C Conditions or the Instruments to reflect or account for such exchange, regardless of the credit derivatives definitions or trading standards applicable to such Reference Entity, as set out in Credit Linked Note Condition 26 (*Change in Market Convention*) and Credit Linked W&C Condition 24 (*Change in Market Convention*).

(ix) **Risks relating to Saudi Share Linked Warrants**

No issuer of the relevant Share(s) will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Saudi Share Linked Warrants

No issuer of the relevant Share(s) will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Saudi Share Linked Warrants and none of the relevant Issuer, the Guarantor and any Dealer will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of Shares contained in such Final Terms or in the documents from which such information was extracted. Neither the relevant Issuer nor the Guarantor controls any issuer of the relevant Share(s) or is responsible for any disclosure made by any issuer of the relevant Share(s). Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the adequacy, accuracy or completeness of the publicly available information described in this paragraph or in any applicable Final Terms) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of relevant Share(s) could affect the trading price of the Share(s) and therefore the trading price of the Saudi Share Linked Warrants or amounts paid or delivered under the Saudi Share Linked Warrants.

Exposure to value of Shares and notional liquidation of the Shares over a valuation period

Saudi Share Linked Warrants are issued at a price linked to the value of the underlying Shares on particular trading days during a fixing period. On settlement a Holder will not receive the principal amount of its investment but instead will receive an amount calculated as the weighted average sale price of the Shares over a valuation period commencing on the Valuation Date (or such other price as may be specified in the applicable Final Terms) less deductions for local taxes (if any) and other costs which would have been incurred had the Shares been held by a Saudi resident investor directly and less deductions for any other taxes and costs associated with the relevant Issuer's hedging position. The valuation period will be the number of days commencing on/and including the valuation date that would have been required for a holder of the Shares to complete the sale of the equivalent position on the securities exchange on which such Shares are primarily traded. Depending on the performance of the Shares, the value of the Shares at settlement may be substantially lower than when the Saudi Share Linked Warrants were initially purchased. There is no assurance that the Cash Settlement Amount on settlement will be equal to or more than the purchase price of the Saudi Share Linked Warrants. In the worst case, the Saudi Share Linked Warrants may settle at zero, exposing investors to the full loss of their initial investment. If investors have any doubt on the risk level implied, they should consult a professional investment adviser. Further, generally returns to investors in Saudi Share Linked Warrants will be payable in U.S. Dollars or another currency other than the currency in which the Shares are denominated. Changes in the rate of exchange between the currency in which the underlying Shares are denominated and that in which returns are payable to Holders will affect the return to investors. See "Exposure to changes in the rate of exchange between the currency of the Shares and Settlement Currency" below.

Factors affecting the performance of Shares may adversely affect the value of the Saudi Share Linked Warrants

The performance of Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and company-specific factors such as

earnings position, market position, risk situation, shareholder structure and distribution policy. These factors are not within the relevant Issuer's or the Guarantor's control and may result in a decline in the value of the Saudi Share Linked Warrants. Neither the relevant Issuer nor the Guarantor makes any representation or warranty about, or guarantee of, the performance of the Shares. Past performance of the Shares cannot be considered to be either a guarantee of, or necessarily a guide to, future performance. The value of the Shares may go down as well as up during the term of the Saudi Share Linked Warrants. Saudi Share Linked Warrants are linked to Shares listed in an emerging market which may make the Shares less liquid and more volatile than investments in more established markets. See "Risks relating to Instruments which are linked to emerging market Reference Item(s)" above.

Exposure to changes in the rate of exchange between the currency of the Shares and Settlement Currency

Where the currency of the Shares is different from that of the Settlement Currency, Holders of Saudi Share Linked Warrants linked to such Shares may be exposed not only to the performance of the Shares but also to the performance of the relevant foreign currency of the Shares, which cannot be predicted. Saudi Share Linked Warrants may be linked to the Saudi Arabian Riyal which may experience volatility and uncertainty as to its future levels or its rate of exchange as against other currencies (including the Settlement Currency). See "Risks relating to Instruments which are linked to emerging market Reference Item(s)" and "Factors affecting the performance of the relevant foreign exchange rate may adversely affect the value of the Instruments" above.

Holders have no claim against the issuer of the relevant Share(s) or recourse to the Shares or the Hedge Positions

Saudi Share Linked Warrants do not represent a claim against or an investment in any issuer of the relevant Share(s) and investors will not have any right of recourse under the Saudi Share Linked Warrants to any such company or the Shares or the relevant Issuer's Hedge Positions. Saudi Share Linked Warrants are not in any way sponsored, endorsed or promoted by any issuer of the relevant Share(s) and such companies have no obligation to take into account the consequences of their actions for any Holders. Accordingly, the issuer of a Share may take any actions in respect of such Share without regard to the interests of the investors in the Saudi Share Linked Warrants, and any of these actions could adversely affect the market value of the Saudi Share Linked Warrants.

Determinations made by the Calculation Agent in respect of Potential Adjustment Events, Merger Events, Tender Offers, De-listings, Nationalisations, Insolvencies and Additional Disruption Events may have an adverse effect on the value of the Saudi Share Linked Warrants

Upon determining that a Potential Adjustment Event, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Additional Disruption Event has occurred in relation to an underlying Share or Share Company, the Calculation Agent has broad discretion to make certain determinations to account for such event including to (i) make adjustments to the terms of the Saudi Share Linked Warrants, (ii) distribute additional Instruments or cash payments to Holders and/or (iii) (in the case of a Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Additional Disruption Event) cause early settlement of the Saudi Share Linked Warrants, any of which determinations may have an adverse effect on the value of the Saudi Share Linked Warrants.

Potential Adjustment Events include (a) a sub-division, consolidation or re-classification of the Shares, (b) an extraordinary dividend, (c) a call of the Shares that are not fully paid, (d) a repurchase by the issuer, or an affiliate thereof, of the Shares, (e) a separation of rights from the Shares or (f) any event having a dilutive or concentrative effect on the value of the Shares. Additional Disruption Events include (a) a trading failure and (b) if specified to be applicable in the applicable Final Terms, (i) a change in applicable law since the Trade Date that makes it (A) illegal to hold, acquire or dispose of the Shares or (B) more expensive for the relevant Issuer to hedge its obligations under the relevant Saudi Share Linked Warrants, (ii) an insolvency filing by or on behalf of any issuer of the relevant Share(s) and/or (iii) a disruption or increased cost of hedging.

Holders will have no voting rights in respect of the relevant Shares

Holders of Saudi Share Linked Warrants will not have voting rights or any other rights with respect to the relevant Shares to which such Saudi Share Linked Warrants relate.

(x) **Risks relating to Secured Instruments**

Holders of Secured Instruments do not have recourse to the Guarantees

The Secured Instruments will be limited recourse obligations of MLBV or MLICo., as applicable, secured by a separate Collateral Pool for each Series and will not be obligations or responsibilities of, or guaranteed by, the Guarantor or any other person or entity. Therefore a Holder of Secured Instruments will not be able to claim under the terms of the Guarantees against the Guarantor for any unpaid amounts and any such shortfall will not constitute an unsecured claim by such Holder of Secured Instruments against the Guarantor.

Limitations of the Security Interest under each Deed of Charge

The security granted by the Secured Instruments Collateral Provider under each Deed of Charge is a security interest over (i) the Collateral Account in which the Collateral Assets are held (although investors should note the remaining provisions of this section relating to Collateral Assets held through a clearing system) and does not extend to any interest or distributions paid on such Collateral Assets (to the extent such amounts are not held in the relevant Collateral Account) and (ii) the Secured Instruments Collateral Provider's rights under the Charged Documents, to the extent those rights relate to the relevant Series of Secured Instruments.

No security interest will be granted by the Secured Instruments Collateral Provider over any of its rights under any agreement under which it acquires any Collateral Assets (including, without limitation, any hedging agreements). This means that the Security Agent will not have the ability to compel the Secured Instruments Collateral Provider to enforce its rights (or to enforce such rights on behalf of the Secured Instruments Collateral Provider) under any agreement against a counterparty to such agreement.

The Collateral Assets will be secured in favour of the Secured Parties pursuant to a fixed charge which is intended to create a security interest in the Collateral Assets in favour of the Secured Parties to secure the relevant Issuer's obligations in respect of the relevant Series of Secured Instruments. However, where the Collateral Assets are held through a clearing system (either directly or through a sub-custodian), the interests which the Collateral Agent will hold and which are traded in the clearing system are not the physical Collateral Assets themselves but a series of contractual rights against such clearing system. These rights consist of (a) the Collateral Agent's rights as a participant against the clearing system, (b) the rights of the clearing system against the common depositary and (c) the rights of the common depositary against the Secured Instruments Collateral Provider of the Collateral Assets. As a result, where the Collateral Assets are held in a clearing system, the security in respect of a Series of Secured Instruments may take the form of an assignment of the Secured Instruments Collateral Provider's rights against the Collateral Agent under the relevant Triparty Account Control Agreement rather than a charge over the Collateral Assets themselves.

A court may characterise the security created under a Deed of Charge as a floating charge rather than a fixed charge

Notwithstanding that the Collateral Provider purports to create a "fixed" charge over the collateral under the Deed of Charge, there is a risk that a court would characterise it as a "floating" charge. The distinction between a fixed charge and a floating charge depends on a number of factors, including the extent of the control exercised over the collateral by the collateral taker. It is a mixed question of fact and law. If a fixed charge is recharacterised as floating charge, the claims of (a) the unsecured creditors of the Collateral Provider in respect of that part of the chargor's net property which is ringfenced under the Insolvency Act 1986 (the "**Insolvency Act**") and (b) certain statutorily defined preferential creditors of the Collateral Provider, would have priority over the rights of the Security Agent to the proceeds of enforcement of the relevant Collateral Assets. As a result, the full amount of the proceeds of enforcement of the relevant Collateral Assets may not be available to pay holders of the Secured Instruments, resulting in a loss for investors.

A failure to register the security created under a Deed of Charge could mean that it is void against a liquidator, administrator or creditor of the Secured Instruments Collateral Provider

In accordance with section 859A of the Companies Act 2006, relevant particulars of the Deed of Charge (together with a certified copy of the relevant instrument) must be delivered to the Registrar of

Companies for registration within 21 days beginning with the date after the day on which the relevant security is created, failing which the security will be void against a liquidator, administrator and any creditor of the Secured Instruments Collateral Provider, except where the Deed of Charge constitutes a "financial collateral arrangement" under the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**"), in which case the registration requirement is disapplied pursuant to the Financial Collateral Regulations. Uncertainty in respect of the meaning of key terms in the Financial Collateral Regulations including "possession" and "control" means that there is a legal risk that a court would not characterise the security granted under the Deed of Charge as a financial collateral arrangement. If the Deed of Charge were not to be registered in accordance with section 859A of the Companies Act and did not constitute a financial collateral arrangement under the Financial Collateral Regulations, investors would be exposed to the potentially severe consequences of a failure to register.

Holders are exposed to the operational risks related to the collateral arrangements and the structure of the Collateral Accounts

The Collateral Agent may, to the extent permitted in accordance with the terms of the Custodian Agreement and the relevant Triparty Account Control Agreement entered into with the Secured Instruments Collateral Provider, hold certain cash and/or securities sub-accounts with other custodial entities ("**sub-custodians**"). Collateral Assets which, pursuant to the terms of the Secured W&C Instruments Conditions, the Custodian Agreement and the relevant Triparty Account Control Agreement, are to be held with the Collateral Agent in a Collateral Account may therefore in practice be held by the Collateral Agent in sub-accounts with sub-custodians. Where the Collateral Assets are held by a sub-custodian on behalf of the Collateral Agent, they will be held pursuant to separate agreements which may vary in relation to any particular sub-custodian and which may not be governed by English law. Security interests in respect of the Collateral Assets also may be created pursuant to separate agreements which may not be governed by English law. A sub-custodian, securities depositary or clearing system may have a lien or rights of set-off with respect to the Collateral Assets held with them in relation to any of their fees and/or expenses. If such fees and/or expenses are not paid, such sub-custodian, securities depositary or clearing system may exercise such lien or rights of set-off and this may adversely affect the amounts that are available for distribution to Holders.

The Collateral Agent shall exercise reasonable care in selecting and continuing to use a sub-custodian in each relevant country in light of customary or established rules, practices and procedures then prevailing in each such country, but shall otherwise have no responsibility with respect to the performance by such sub-custodian (other than a sub-custodian that is an affiliate of the Collateral Agent) of its duties or in the event of its insolvency or dissolution. Accordingly, a Holder of Secured Instruments will be exposed to, amongst other things, the risk of any potential operational disruption or any other adverse impact related to the Collateral Agent and any sub-custodian (including disruption caused by any insolvency proceedings which may be commenced in respect of the Collateral Agent and/or any such sub-custodians).

Neither the relevant Issuer nor any Holder shall be entitled to enforce a Triparty Account Control Agreement or the Custodian Agreement or to proceed directly against the Collateral Agent or the Custodian to enforce the terms of the relevant Triparty Account Control Agreement or the Custodian Agreement, as applicable. Neither the Collateral Agent nor the Custodian has any liability to the relevant Issuer or any Holder as to the consequence of any actions taken by the Collateral Agent or Custodian, as applicable.

The Collateral Assets may be insufficient to pay all amounts due to Holders of the Secured Instruments

The security provided for a Series of Secured Instruments is limited to the Collateral Assets constituting the Collateral Pool applicable to such Series. The amount of Collateral Assets constituting such Collateral Pool will depend on, amongst other things, in respect of the Secured Instruments issued (a) under the Additional Terms and Conditions for Secured Static/Floating Instruments set out in Annex 13 of the Offering Circular ("**Secured Static/Floating Instruments Conditions**"), the MTM Collateral Specified Percentage and the Static Collateral Specified Percentage specified in the applicable Final Terms and (b) under the Additional Terms and Conditions for Secured Fully Floating Instruments set out in Annex 14 to the Offering Circular ("**Secured Fully Floating Instruments Conditions**"), the Collateralisation Percentage specified in the applicable Final Terms and/or whether or not "Collateral Valuation at Nominal Value" is specified to be applicable in the applicable Final Terms. There is no guarantee that the Collateral Assets will be sufficient to ensure that, following enforcement of a Deed of Charge, the

amounts available for distribution or the value of the Collateral Assets available to be delivered by the Security Agent will be sufficient to pay all amounts due to a Holder of Secured Instruments in respect of the relevant Series of Secured Instruments (see "*Shortfall on Realisation of Collateral Assets and Limited Recourse of Holders of Secured Instruments*"). In addition the claim of a Holder of Secured Instruments may differ from the value of the Collateral Assets due to the application and distribution of proceeds on enforcement in accordance with the Order of Priority specified in the applicable Final Terms or if Collateral Assets are liquidated and realised by the Security Agent or the Disposal Agent on its behalf rather than being physically delivered due to a Physical Delivery of Collateral Assets Disruption Event (see Secured Static/Floating Instruments Conditions 6.7 and 6.10 and Secured Fully Floating Instruments Conditions 6.6 and 6.9).

A lack of diversification of Collateral Assets in a Collateral Pool may impact the value of the Collateral Assets

If the Secured Static/Floating Instruments Conditions apply to a Series of Secured Instruments, the Collateral Assets in the Collateral Pool on which such Series of Secured Instruments are secured in respect of (a) the MTM Collateral Assets, may be limited to one or a few assets or types of assets depending on the relevant Eligibility Criteria, and (b) the Static Collateral Assets, if comprising of a single debt security, will be limited to one type of asset or, if comprising of a basket of debt securities, will be limited to a few assets of the same type.

If the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments, the Collateral Assets in the Collateral Pool on which the Series of Secured Instruments are secured may be limited to one or a few assets or types of assets depending on the relevant Eligibility Criteria.

Low diversification of Collateral Assets in a Collateral Pool may increase the risk that the value of Collateral Assets deliverable on early redemption or early settlement (if physical settlement is applicable) and that the proceeds of realisation of the Collateral Assets may be less than the sums due to the relevant Holder of Secured Instruments under the relevant Secured Instruments. If the Collateral Pool is comprised of a limited number of different types of assets, any depreciation in the value of such assets and the realisation or delivery, as the case may be, of the Collateral Assets in the corresponding Collateral Pool will have a proportionally larger impact on any shortfall as the amount recovered in respect of the Collateral Assets on their sale will be dependent on the then-current market value of a smaller range of Collateral Assets.

None of the relevant Issuer, the Secured Instruments Collateral Provider, the Security Agent or the Collateral Agent is under any obligation to ensure that any relevant Eligibility Criteria provide for the diversification of Collateral Assets in a Collateral Pool.

Collateral Assets may be illiquid

Depending on the relevant Eligibility Criteria, certain of the Collateral Assets may not be admitted to trading on any public market and may be illiquid and not easily realisable in certain market circumstances. Where there is limited liquidity in the secondary market relating to Collateral Assets, in the event of enforcement the Security Agent, or the Disposal Agent on its behalf, may not be able to readily sell such Collateral Assets to a third party or may only be able to sell such Collateral Assets at a discounted value.

Potential correlation between the value of the Collateral Assets and the creditworthiness of certain entities

Depending on the Eligibility Criteria applicable to a Series of Secured Instruments, the Collateral Assets relating to such Series could be composed of assets whose value may be positively correlated with the creditworthiness of the relevant Issuer and the Secured Instruments Collateral Provider in that adverse economic factors which apply to one may apply to the others, or the default or decline in the creditworthiness of one may itself adversely affect the others.

Where the value of the Collateral Assets is positively correlated with the creditworthiness of the relevant Issuer and the Secured Instruments Collateral Provider, for example where the Collateral Assets consist of securities (such as debt or equities) issued by other financial institutions, a default by the relevant

Issuer in relation to its obligations under the Secured Instruments may be associated with a fall in the value of Collateral Assets securing such Secured Instruments.

Difference between the calculation of Marked-to-Market Derivative Hedge Value and Secured Instrument Market Value and calculation of a Secured Instrument's value for other purposes

The Marked-to-Market Derivative Hedge Value is the market value of the Derivative Hedge in respect of the Secured Instruments to which the Secured Static/Floating Instruments Conditions apply, as determined by the Secured Instruments Valuation Agent as the present value of the future payment obligations of the Issuer under such Secured Instruments minus the present value of the future cash flows of the Static Collateral Assets that secure such Secured Instruments, taking into account such factors as the Secured Instruments Valuation Agent considers to be appropriate in its discretion, including without limitation:

(a) spot and forward market prices or values for the underlying asset(s) of the Derivative Hedge and other relevant economic variables (including, without limitation, interest rates and, if applicable, exchange rates) at the relevant time;

(b) the correlation between the market prices or value of the underlying asset(s) of the Derivative Hedge and other relevant economic variables at the relevant time;

(c) historic and implied volatility of the market prices or value of the underlying asset(s) of the Derivative Hedge;

(d) the remaining time until expiry of the Derivative Hedge;

(e) internal pricing models;

(f) prices at which other market participants might bid for options or other instruments similar to the Derivative Hedge; and

(g) the valuation using relevant economic variables of the cash flows and/or coupon payments of the Static Collateral Assets that secure such Secured Instruments.

The Derivative Hedge hedges part of the relevant Issuer's payment obligations under the Secured Instruments. However, there may be a difference between the sum of the Marked-to-Market Derivative Hedge Value plus the nominal amount of the Secured Instruments and the value of the Secured Instrument as determined for other purposes, including, without limitation, any determination as to its Cash Settlement Amount.

The Secured Instrument Market Value is the market value of the relevant Secured Instrument to which the Secured Fully Floating Instruments Conditions apply, which will take into account the relevant Issuer's creditworthiness and will be determined by the Secured Instruments Valuation Agent by reference to such factors as the Secured Instruments Valuation Agent considers to be appropriate including, without limitation:

(a) market prices or values for any underlying asset(s) to which the Secured Instruments are linked and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;

(b) the remaining term of the Secured Instruments until their scheduled maturity and final redemption or scheduled exercise and final settlement, as applicable;

(c) internal pricing models; and

(d) prices at which other market participants might bid for securities similar to the Secured Instruments.

There may be a difference between the Secured Instrument Market Value and the value of the Secured Instrument as determined for other purposes, including, without limitation, any determination as to its Cash Settlement Amount.

The value of the Collateral Assets in a Collateral Pool may decline prior to any adjustment

If the Secured Static/Floating Instruments Conditions apply to a Series of Secured Instruments, on each Collateral Test Date, the Collateral Agent shall verify whether (a) the Pool Aggregate Nominal Amount is greater than or equal to the Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount for a Collateral Pool (the "**Static Collateral Test**") and (b) the Collateral Value is greater than or equal to the MTM Collateral Specified Percentage of the Required Collateral Value for a Collateral Pool (the "**MTM Collateral Test**").

If the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments, on each Collateral Test Date, the Collateral Agent shall verify whether the Collateral Value is greater than or equal to the Required Collateral Value for a Collateral Pool (the "**Collateral Test**").

Where it is not possible to provide such verification or the Static Collateral Test, the MTM Collateral Test or the Collateral Tests, as applicable, are not met, the Secured Instruments Collateral Provider may be required to deliver, or procure the delivery of, additional or replacement Collateral Assets to the Collateral Account such that after such adjustment of Collateral Assets, the Static Collateral Test, the MTM Collateral Test or the Collateral Test, as applicable, will be satisfied. Prior to such adjustment, the Holders of Secured Instruments will be exposed to a decline in the Pool Aggregate Nominal Amount or the Collateral Value, as applicable, and there is also a risk that the Collateral Assets may not meet the relevant Eligibility Criteria.

Substitution of Collateral Assets may affect the value of the Collateral Assets in a Collateral Pool

If the Secured Static/Floating Instruments Conditions apply to a Series of Secured Instruments, the Secured Instruments Collateral Provider may withdraw and/or replace MTM Collateral Assets from any Collateral Account provided that following such adjustment the applicable MTM Collateral Test continues to be satisfied. Neither the Issuer nor the Secured Instruments Collateral Provider are entitled to withdraw and/or replace Static Collateral Assets, provided that the Secured Instruments Collateral Provider may withdraw from the relevant Collateral Account an aggregate nominal amount of Static Collateral Assets equal to (a) in respect of Secured Instruments that are Secured Notes, the total aggregate principal amount of Non-Waived Instruments that are converted into Waived Instruments or (b) in respect of Secured Instruments that are Secured W&C Instruments, the sum of the Notional Amount of each Non-Waived Instrument that is converted into a Waived Instrument, if, following such withdrawal, (x) the Collateral Test continues to be satisfied, and (y) if the Eligible Static Collateral Assets specified in the Final Terms are a Basket of Eligible Debt Securities, the aggregate nominal amount of each Eligible Debt Security is equal to the percentage weighting for each such Eligible Debt Security within the Basket of Eligible Debt Securities, as specified in the applicable Final Terms.

If the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments, the Secured Instruments Collateral Provider may withdraw and/or replace Collateral Assets from any Collateral Account provided that following such adjustment the applicable Collateral Test continues to be satisfied.

The Secured Instruments Collateral Provider may give instructions for the substitution of MTM Collateral Assets or Collateral Assets, as applicable, any number of times over the term of the Secured Instruments and is not required to obtain the consent of any other party prior to effecting the proposed substitution of MTM Collateral Assets or Collateral Assets, as applicable. Until any further adjustments to the MTM Collateral Assets or Collateral Assets, as applicable, have occurred, the value of the MTM Collateral Assets or Collateral Assets held in a Collateral Account securing a Series of Secured Instruments may be less than it would have been were it not for the substitution of the MTM Collateral Assets or Collateral Assets, as applicable. Also, in spite of the contractual restrictions on the Secured Instruments Collateral Provider's ability to withdraw and/or replace MTM Collateral Assets, Static Collateral Assets and Collateral Assets, there are no practical restrictions on the Secured Instruments Collateral Provider's ability to withdraw assets from the scope of the security.

The relevant Issuer may early redeem or cancel and early settle the Secured Instruments upon a Collateral Disruption Event

Secured Instruments will be subject to Collateral Disruption Events, including, but not limited to: (a) the Secured Instruments Collateral Provider being unable to (i) acquire, establish, re-establish, substitute,

maintain, unwind or dispose of any transaction(s) or asset(s) or futures or option contacts it deems necessary to obtain Collateral Assets, or (ii) freely realise, recover, remit, receive, re-patriate or transfer the proceeds of any such transaction(s) or asset(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets; (b) the Secured Instruments Collateral Provider incurring a material increase in certain costs related to (a)(i) and (a)(ii); or (c) the relevant Issuer is unable to find a substitute or replacement Collateral Arrangement Party or Security Agent. This may increase the possibility (in comparison with Instruments which are not secured) of the Secured Instruments being early redeemed or cancelled and settled early. Upon the occurrence of a Collateral Disruption Event, the relevant Issuer may, in its sole and absolute discretion, redeem or cancel and settle, as applicable, all of the relevant Secured Instruments (a) in respect of Secured Instruments to which the Secured Static/Floating Instruments Conditions apply, at their Early Redemption/Settlement Amount (CDE) and, where Physical Delivery of Static Collateral Assets is specified to apply in the applicable Final Terms, deliver the Entitlement (CDE); or (b) in respect of Secured Instruments to which the Secured Fully Floating Instruments Conditions apply, at their Early Redemption/Settlement Amount.

Further, following the early redemption or cancellation and early settlement, as applicable, of the Secured Instruments, a Holder of Secured Instruments may not be able to reinvest the redemption or settlement proceeds at an equivalent rate of return to the Secured Instruments being redeemed or settled and may only be able to do so at a significantly lower rate or in worse investment conditions. Potential investors should consider reinvestment risk in light of other available investments at the time they contemplate investing in Secured Instruments.

The Secured Instruments will be automatically early redeemed or cancelled and settled early upon a Collateral Trigger Event

Under the Secured Static/Floating Instruments Conditions, if "Collateral Trigger Event" is specified to be applicable in the applicable Final Terms, the relevant Secured Instruments will be subject to early redemption or cancellation following the occurrence of a Collateral Trigger Event. The Secured Instruments Valuation Agent shall determine that a Collateral Trigger Event has occurred if, at any time during business hours on a London business day during the relevant observation period, the value of a Secured Instrument of the relevant series is (a) if "less than the Collateral Trigger Level" is specified in the applicable Final Terms, less than the Collateral Trigger Level or (b) if "less than or equal to the Collateral Trigger Level" is specified in the applicable Final Terms, less than or equal to the Collateral Trigger Level. The Collateral Trigger Level will be specified in the applicable Final Terms. Upon the occurrence of a Collateral Trigger Event, the relevant Issuer will cancel and settle all of the relevant Secured Instruments at their Early Redemption/Settlement Amount (CTE) and, where "Physical Delivery of Static Collateral Assets" is specified to apply in the applicable Final Terms, deliver the Entitlement (CTE).

The value of the relevant Secured Instrument will be determined by the Secured Instruments Valuation Agent as an amount equal to the sum of (x) the intra-day market value of the portion of the option that relates to such Secured Instrument and (y) the intra-day market value of the relevant Static Collateral Assets that relate to such Secured Instrument, by reference to such factors as the Secured Instruments Valuation Agent considers appropriate in its discretion. As the relevant Issuer and the Secured Instruments Valuation Agent are affiliates, a potential conflict of interest may arise between the Secured Instruments Valuation Agent and the Holders of Secured Instruments in respect of these determinations. See "Potential Conflicts of Interest between Holders of Secured Instruments, the Secured Instruments Collateral Provider and the Secured Instruments Valuation Agent" below.

If a Collateral Trigger Event has occurred the value of all or some of the Collateral Assets forming the Collateral Pool will have lost a substantial proportion of their value. Therefore on early cancellation of the Instruments as a result of such Collateral Trigger Event, the Early Redemption/Settlement Amount (CTE) payable or Entitlement (CTE) deliverable may be significantly less than the investor's initial investment.

In addition, if a Collateral Trigger Event is specified to be applicable in the applicable Final Terms, it may increase the possibility (in comparison with Instruments which are not secured) of the Secured Instruments being redeemed or cancelled and settled early, as applicable. Following such early redemption or cancellation and early settlement, as applicable, a Holder of Secured Instruments may not be able to reinvest the redemption or settlement proceeds at an equivalent rate of return to the Secured Instruments being redeemed or settled and may only be able to do so at a significantly lower rate or in

worse investment conditions. Potential investors should consider reinvestment risk in light of other available investments at the time they contemplate investing in Secured Instruments.

The Secured Instruments will be automatically early redeemed or cancelled and settled early upon a MTM Trigger Event

Under the Secured Fully Floating Instruments Conditions, if "MTM Trigger Event" is specified to be applicable in the applicable Final Terms, the relevant Secured Instruments will be subject to early cancellation following the occurrence of a MTM Trigger Event. The Secured Instruments Valuation Agent shall determine that a MTM Trigger Event has occurred if, at any time between 5.00 a.m. Sydney time to 5.00 p.m. New York City time (or such other times specified in the applicable Final Terms) on a business day during the relevant observation period, the market value of a Secured Instrument of the relevant series is (a) if "less than the MTM Trigger Level" is specified in the applicable Final Terms, less than the MTM Trigger Level or (b) if "less than or equal to the MTM Trigger Level" is specified in the applicable Final Terms, less than or equal to the MTM Trigger Level. The MTM Trigger Level will be specified in the applicable Final Terms. Upon the occurrence of a MTM Trigger Event, the relevant Issuer will redeem or cancel and settle all of the relevant Secured Instruments at their Early Redemption/Settlement Amount.

The market value of the relevant Secured Instrument will be determined by the Secured Instruments Valuation Agent by reference to such factors as the Secured Instruments Valuation Agent considers appropriate in its discretion. Given that MLICo., MLBV and the Secured Instruments Valuation Agent are affiliates, a potential conflict of interest may arise between the Secured Instruments Valuation Agent and the Holders of Secured Instruments in respect of these determinations. See "Potential Conflicts of Interest between Holders of Secured Instruments, the Secured Instruments Collateral Provider and the Secured Instruments Valuation Agent" below.

If a MTM Trigger Event has occurred the Secured Instruments will have lost a substantial proportion of their value. Therefore on early cancellation of the Secured Instruments as a result of such MTM Trigger Event, the Early Redemption/Settlement Amount payable may be significantly less than the investor's initial investment.

In addition, if "MTM Trigger Event" is specified to be applicable in the applicable Final Terms, it may increase the possibility (in comparison with Instruments which are not secured) of the Secured Instruments being early redeemed or cancelled and settled early, as applicable. Following such early redemption or cancellation and early settlement, as applicable, a Holder of Secured Instruments may not be able to reinvest the redemption or settlement proceeds at an equivalent rate of return to the Secured Instruments being redeemed or settled and may only be able to do so at a significantly lower rate or in worse investment conditions. Potential investors should consider reinvestment risk in light of other available investments at the time they contemplate investing in Secured Instruments.

Investors are exposed to the credit risk of the issuer(s) of the Static Collateral Assets

In respect of Secured Instruments to which the Secured Static/Floating Instruments Conditions apply, the value of the Secured Instruments is expected to be affected by the creditworthiness of an issuer of the Static Collateral Assets and actual or anticipated changes in the credit ratings of an issuer of the Static Collateral Assets.

In respect of Secured Instruments to which the Secured Static/Floating Instruments Conditions apply, Collateral Disruption Events also include certain events which are indicative of a default or material decline in the creditworthiness of an issuer of the Static Collateral Assets. In such circumstances, upon any early redemption or cancellation and early settlement of Secured Instruments by the relevant Issuer, it is likely that the market value of the Static Collateral Assets will be low and may be zero, thereby having a material adverse impact on the returns to investors. Therefore, such Secured Instruments explicitly bear the credit risk of an issuer of the Static Collateral Assets and any guarantor of such issuer's obligations under the Static Collateral Assets.

The market value of a Secured Instrument may be affected negatively when the probability of, or the market's perception of the probability of, a Collateral Disruption Event occurring in respect of an issuer of the Static Collateral Assets increases, even if a Collateral Disruption Event does not actually occur.

No investigations, searches or other enquiries have been made by or on behalf of the Issuer, the Secured Instruments Collateral Provider or the Security Agent in respect of the Static Collateral Assets or an issuer or any guarantor of the Static Collateral Assets. No representations or warranties, express or implied, have been given by the Issuer, the Secured Instruments Collateral Provider or the Security Agent or any other person on their behalf in respect of the Static Collateral Assets or an issuer or any guarantor in respect of the Static Collateral Assets. Investors should conduct their own investigation and analysis with respect to the creditworthiness of an issuer and any guarantor of the Static Collateral Assets.

An issuer or any guarantor of the Static Collateral Assets may be a publicly reporting company and financial and other information with respect to the issuer or any guarantor may be available from publicly available sources. Publicly available information in relation to an issuer or any guarantor of the Static Collateral Assets may be incomplete, inaccurate or misleading. None of MLICo., MLBV, the Secured Instruments Collateral Provider or the Security Agent gives any assurance as to the accuracy or completeness of any information available with respect to an issuer or any guarantor of the Static Collateral Assets or that all events that would affect the creditworthiness of an issuer or any guarantor of the Static Collateral Assets have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of, or failure to disclose, material future events concerning the issuer or any guarantor of the Static Collateral Assets could affect its creditworthiness and therefore the market value of the Secured Instruments, the likelihood of a Collateral Disruption Event occurring and the resulting Early Redemption/Settlement Amount (CDE) or, if "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms, the value of the Static Collateral Assets delivered to Holders.

Risks related to an Acceleration Event and enforcement of the security following a Secured Instrument Event of Default

If a Secured Instrument Event of Default has occurred and is continuing with respect to any Series of Secured Instruments, then any Holder may, at its option, send an Acceleration Notice to the relevant Issuer and the relevant Instrument Agent. If Holders of at least 33 per cent. (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments (which, unless notified in writing by the Issuer and/or its Affiliates to the Secured Instruments Collateral Provider, shall not include any Secured Instruments held by the Issuer or its Affiliates) and if any such default is not waived or cured by the Issuer in accordance with the relevant Secured Instruments Conditions, an Acceleration Event shall occur in respect of such Series of Secured Instruments.

The relevant Instrument Agent will as soon as reasonably practicable after the occurrence of an Acceleration Event notify the Security Agent of the occurrence of such Acceleration Event and such notification shall be deemed to be an instruction to the Security Agent to, among other things, enforce the security constituted by the relevant Deed of Charge (an "**Acceleration Instruction**"). If the Security Agent receives an Acceleration Instruction, the Security Agent shall (acting in accordance with such Acceleration Instruction), among other things, deliver a Collateral Enforcement Notice to the relevant Issuer, the Secured Instruments Collateral Provider and the relevant Instrument Agent upon which all Secured Instruments in respect of which such Collateral Enforcement Notice is served will become immediately due and repayable at their applicable Early Redemption/Settlement Amount.

No Holder shall be entitled to enforce the relevant Deed of Charge or to proceed directly against the Secured Instruments Collateral Provider to enforce the other provisions of a Charged Document unless the Security Agent, having become bound to so enforce or proceed, fails so to do within a reasonable time and such failure is continuing or the Security Agent is prevented from enforcing the relevant Deed of Charge by any court order. If a Holder becomes so entitled, then such Holder shall not be entitled to enforce the relevant Deed of Charge or Charged Document in the United Kingdom.

Where the Collateral Assets consist of debt securities, shares or other tradable securities, liquidation of all the Collateral Assets simultaneously may increase the risk that the proceeds of realisation of the Collateral Assets may be less than the sums due to the relevant Holder of Secured Instruments under the relevant Secured Instruments because liquidation of all the Collateral Assets in the Collateral Pool at the same time could, in particular market circumstances, lead to a reduction in the market value of some or all of the Collateral Assets.

In addition, following the realisation of the Collateral Assets, an investor may not be able to reinvest any redemption or settlement proceeds or, where applicable, any Collateral Assets that it receives at an equivalent rate of return to the Secured Instruments that have become immediately due and payable following the occurrence of an Acceleration Event and may only be able to do so at a significantly lower rate or in worse investment conditions. Potential investors should consider reinvestment risk in light of other available investments at the time they contemplate investing in Secured Instruments.

Limitations on the entitlement of a Holder of Secured Instruments on enforcement and subordination to payment of expenses and other payments

If the Secured Static/Floating Instruments Conditions apply to a Series of Secured Instruments, following the enforcement of the relevant Deed of Charge, the rights of a Holder of Secured Instruments to be paid amounts from the proceeds of such enforcement and the realisation of the related Collateral Assets will be limited to the applicable Early Redemption/Settlement Amount and, where Physical Delivery of Static Collateral Assets is applicable, the delivery of the Entitlement.

If the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments, and, following the enforcement of the relevant Deed of Charge, each Secured Instrument's share of the proceeds of enforcement (following payment of the Secured Parties ranking above the Holders in the Order of Priority) is greater than the Early Redemption/Settlement Amount, then the rights of a Holder of Secured Instruments to be paid amounts from the proceeds of such enforcement and the realisation of the related Collateral Assets (or, where "Physical Delivery of Static Collateral Assets" is applicable, the market value of Collateral Assets that a Holder is entitled to receive delivery of) will be limited to: (a) where "NV Collateralisation" or "Max (NV, MV) Collateralisation" is specified to be applicable in the applicable Final Terms, the greater of: (i) the product of (A) the Collateralisation Percentage, multiplied by (B) in respect of Secured Instruments that are Secured Notes, the aggregate principal amount or, in respect of Secured Instruments that are Secured W&C Instruments, the Notional Amount, of the Non-Waived Instruments; and (ii) the Early Redemption/Settlement Amount; and (b) where "MV Collateralisation" or "Min (NV, MV) Collateralisation" is specified to be applicable in the applicable Final Terms, the applicable Early Redemption/Settlement Amount.

Following the early redemption or settlement of the Secured Instruments, a Holder of Secured Instruments may not be able to reinvest the settlement proceeds at an equivalent rate of return to the Secured Instruments being redeemed or settled and may only be able to do so at a significantly lower rate or in worse investment conditions. Potential investors should consider reinvestment risk in light of other available investments at the time they contemplate investing in Secured Instruments.

A Holder's entitlement on enforcement and realisation of the related Collateral Assets will be subordinated to and therefore rank behind claims relating to any amounts payable to Secured Parties ranking prior to the Holder of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms and any rights of preference existing by operation of law.

Shortfall on Realisation of Collateral Assets, Limited Recourse of a Holder of Secured Instruments and inadequacy of collateral

The security provided for a Series of Secured Instruments is limited to the Collateral Assets constituting the Collateral Pool applicable to such Series together with the Secured Instruments Collateral Provider's right, benefit, interest and title, present and future, in, under and to the Charged Documents (to the extent they relate to such Series). The value realised for the Collateral Assets in the relevant Collateral Pool or, where (a) in the event that the Secured Static/Floating Instruments Conditions apply to a Series of Secured Instruments, "Physical Delivery of Static Collateral" is applicable, and (b) in the event that the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments, Physical Delivery of Collateral Assets on Enforcement is applicable, the value of the Collateral Assets delivered, upon enforcement of the relevant Deed of Charge may be less than the amounts due to a Holder of Secured Instruments in respect of the relevant Series of Secured Instruments and as a result, investors may lose all or a substantial portion of their investment. The level of risk will particularly depend on the Eligibility Criteria and, if the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments on the collateralisation method (either MV Collateralisation, NV Collateralisation, Max (MV, NV) Collateralisation or Min (MV, NV) Collateralisation) as specified in the applicable Final Terms).

The Collateral Assets may suffer a fall in value between the time at which the relevant Deed of Charge becomes enforceable and the time at which the Collateral Assets are realised in full or, where (a) in the event that the Secured Static/Floating Instruments Conditions apply to a Series of Secured Instruments, Physical Delivery of Static Collateral Assets on Enforcement is applicable, and (b) in the event that the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments, Physical Delivery of Collateral Assets on Enforcement is applicable, the Collateral Assets are delivered. In extraordinary circumstances, the Collateral Assets forming part of the Collateral Pool available at the time at which a Deed of Charge becomes enforceable could lose all or a substantial proportion of their value by the time of realisation and distribution or delivery, as applicable. Moreover, the security created in respect of the Secured Instruments may be unperfected for a variety of reasons, including the failure to make required filings and, as a result, Holders may not have priority over other creditors as anticipated.

If there is any shortfall in amounts due to a Holder of Secured Instruments in accordance with the Secured Instruments Conditions then such Holder of Secured Instruments shall have no further claim against the relevant Issuer, the Secured Instruments Collateral Provider or the Security Agent in respect of such amounts which remain unpaid following enforcement of the relevant Deed of Charge (including, for the avoidance of doubt, payments of redemption amounts or settlement amounts or additional amounts in respect of the Secured Instruments). In such a scenario, as the Guarantees are not applicable to Secured Instruments, a Holder of the Secured Instruments will have no further claim against any entity in respect of any shortfall in amounts due to it.

If physical delivery of Collateral Assets applies on enforcement and a Physical Delivery of Collateral Assets Disruption Event occurs or exists, there may be a delay in delivery of the Collateral Assets or the Collateral Assets may be sold in lieu of delivery

If the Secured Static/Floating Instruments Conditions apply to a Series of Secured Instruments and Physical Delivery of Static Collateral Assets is specified to be applicable, upon enforcement of a Deed of Charge, the Security Agent will not sell, or cause to be sold, the Static Collateral Assets (unless there is a Physical Delivery of Collateral Assets Disruption Event or to the extent required in order to pay any amounts payable to Secured Parties ranking prior to the Holders in accordance with the Order of Priority specified in the applicable Final Terms that have not been met by the sale of MTM Collateral Assets) but will procure delivery of the Static Collateral Assets to each Holder of Secured Instruments in the manner set out in the Secured Static/Floating Instruments Conditions.

If the Secured Fully Floating Instruments Conditions apply to a Series of Secured Instruments and Physical Delivery of Collateral Assets is specified in respect of a Series of Secured Instruments, upon enforcement of a Deed of Charge, the Security Agent will not sell, or cause to be sold, the Collateral Assets (unless there is a Physical Delivery of Collateral Assets Disruption Event or to the extent required in order to pay any amounts payable to Secured Parties ranking prior to the Holders of Secured Instruments in accordance with the Order of Priority specified in the applicable Final Terms) but will procure delivery of the Collateral Assets to each Holder of Secured Instruments in the manner set out in the Secured Fully Floating Instruments Conditions.

If, in the opinion of the Disposal Agent, delivery of all or some of the Static Collateral Assets or Collateral Assets, as applicable, forming part of the Entitlement is not practicable by reason of a Physical Delivery of Collateral Assets Disruption Event having occurred or continuing on any Collateral Delivery Date, then settlement will be postponed until the next Collateral Business Day on which there is no Physical Delivery of Collateral Assets Disruption Event. If delivery of any of the Static Collateral Assets or Collateral Assets, as applicable, forming part of the Entitlement is not possible due to the occurrence of a Physical Delivery of Collateral Assets Disruption Event for a period of greater than 20 Collateral Business Days, the Disposal Agent will sell or realise the undeliverable Static Collateral Assets or Collateral Assets, as applicable, in lieu of physical settlement. The amount received by a Holder of Secured Instruments following such sale of Static Collateral Assets or Collateral Assets, as applicable may be lower than the amount which a Holder of Secured Instruments would have received if the relevant Static Collateral Assets or Collateral Assets, as applicable, had been delivered to it and the Holder of Secured Instruments held the relevant Static Collateral Assets or Collateral Assets, as applicable, to the maturity date of such assets or sold such assets at a different point in time.

Risk of a delay in the realisation of the Collateral Assets in the event of the insolvency of the Security Agent or any Collateral Arrangement Party

The insolvency of the relevant Issuer will constitute a Secured Instrument Event of Default, which may trigger early redemption or settlement of any Secured Instruments issued by the relevant Issuer. In these circumstances, or in the event of the insolvency of the Security Agent or any Collateral Arrangement Party, the realisation of the Collateral Assets may be delayed either by the appointment of an insolvency administrator or other insolvency official in relation to the relevant party or by measures ordered by a competent court.

In addition, in the case of an insolvency of a member of the Group, it is possible that the relevant Issuer, the Secured Instruments Collateral Provider and the Secured Instruments Agent that are members of the Group may also each be insolvent. Such circumstances may lead to a delay in the administrative processes involved in the realisation of the Collateral Assets. However, as the entities responsible for the enforcement of the Deed of Charge and the realisation of the Collateral Assets, namely the Custodian, the Collateral Agent, the Security Agent and the Disposal Agent are not part of the Group, the impact of any insolvency of a member of the Group on such enforcement and realisation should be less material than it would have been if the Custodian, the Collateral Agent, the Security Agent and/or the Disposal Agent were part of the Group.

The initial Custodian, the initial Collateral Agent, and the initial Security Agent are affiliates of one another and it is possible that the Disposal Agent will also be an affiliate, and in the event of the insolvency of one such entity it is possible that another of those entities may also be insolvent. Such circumstances may lead to a delay in the realisation of the Collateral Assets. The Custodian Agreement, Triparty Account Control Agreement, and the Security Agency Agreement will contain provisions permitting the replacement of the Custodian, Collateral Agent, and Security Agent, as applicable, in certain circumstances, including following insolvency, as further provided in such agreements and the Secured Instrument.

If there is a delay in the realisation of the Collateral Assets due to the insolvency of any of these entities, such Collateral Assets could depreciate in value resulting in a shortfall in the amounts returned to Holders of Secured Instruments.

Potential Conflicts of Interest between Holders of Secured Instruments, the Secured Instruments Collateral Provider and the Secured Instruments Valuation Agent

As the Secured Instruments Collateral Provider and the Secured Instruments Valuation Agent are the same legal entity and are affiliates of MLICo. and MLBV, potential conflicts of interest may arise between the Secured Instruments Collateral Provider, the Secured Instruments Valuation Agent and the Holders of Secured Instruments, including with respect to the making of certain determinations and the exercise of certain discretions (including as to the calculation of and determinations relating to (a) the Marked-to-Market Derivative Hedge Value, (b) in respect of Secured Instruments to which the Secured Static/Floating Instruments Conditions apply: (i) the MTM Collateral Specified Percentage of the Required MTM Collateral Value; (ii) the Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount; and (iii) (if applicable) a Collateral Trigger Event or a MTM Trigger Event, and (c) in respect of Secured Instruments to which the Secured Fully Floating Instruments Conditions apply: (i) the Secured Instrument Market Value; and (ii) the Required Collateral Value). In addition, whilst the Secured Instruments Collateral Provider and the Secured Instruments Valuation Agent are obliged to carry out their duties and functions in good faith and in a commercially reasonable manner, neither the Secured Instruments Collateral Provider nor the Secured Instruments Valuation Agent acts or will act as a fiduciary or as an advisor to the Holder of Secured Instruments in respect of their duties as Secured Instruments Collateral Provider and Secured Instruments Valuation Agent, respectively.

A failure by the Security Agent or the Disposal Agent to perform its obligations following an Acceleration Event may adversely affect the amount the Holders of the Secured Instruments may recover

Following a Secured Instruments Event of Default and subsequent Acceleration Event, the Security Agent will (acting in accordance with an Acceleration Instruction) enforce the security under the relevant Deed of Charge upon the delivery of a Collateral Enforcement Notice and will give instructions to the Disposal Agent to: (a) liquidate and realise the Collateral Assets in the Collateral Pool which secures a

Series of Secured Instruments and subsequently distribute the relevant Collateral Enforcement Proceeds Share to the relevant Holders of Secured Instruments or (b) where, in respect of Secured Instruments to which the Secured Static/Floating Instruments Conditions apply, Physical Delivery of Static Collateral Assets is specified as applicable in the applicable Final Terms or where, in respect of Secured Instruments to which the Secured Fully Floating Instruments Conditions apply, Physical Delivery of Collateral Assets is specified as applicable in the applicable Final Terms, arrange for delivery of the relevant Entitlement to the relevant Holder of Secured Instruments, in each case in accordance with the Order of Priority.

A failure by the Security Agent or the Disposal Agent to perform its obligations with respect to the Collateral Assets or to perform its obligations in a timely or efficient manner may adversely affect the realisation of the Collateral Assets and the amount distributable or deliverable to Holders of Secured Instruments. Accordingly, in the event of a Secured Instruments Event of Default and subsequent Acceleration Event, the amount that Holders of the Secured Instruments recover may be adversely affected.

The Security Agent may be entitled not to act following an Acceleration Event if it believes that it will be unable to recover certain amounts or is not indemnified and/or secured or pre-funded by the Holders

Following a Secured Instruments Event of Default and subsequent Acceleration Event (as notified to the Security Agent upon receipt of an Acceleration Instruction), the Security Agent shall be under no obligation to take any action to liquidate or realise any Collateral Assets, if (a) in the event that it is directed by the requisite percentage of Holders of the Secured Instruments to effect such liquidation or realisation in accordance with the exact provisions of an Acceleration Instruction (the form of which is scheduled to the English Law Agency Agreement) it reasonably believes that it would not be able to recover Security Agent Amounts (being amounts incurred by it in respect of exceptional duties) or would experience an unreasonable delay in doing so; or (b) in the event that it is directed by a Secured Party to effect such liquidation or realisation other than in accordance with the exact provisions of an Acceleration Instruction (the form of which is scheduled to the English Law Agency Agreement) it has not been indemnified and/or secured and/or prefunded to its satisfaction by the Holders of the Secured Instruments.

In any such event, the Security Agent may decide not to take any action and such inaction will not constitute a breach by it of its obligations under the Security Agency Agreement, the Deed of Charge or the Secured Instruments Conditions. Consequently, if applicable, the Holders of the Secured Instruments would have to either arrange for such indemnity and/or security and/or pre-funding, accept the consequences of such inaction by the Security Agent or appoint a replacement Security Agent. Holders of at least 33 per cent., in respect of Secured Notes, in aggregate principal amount or, in respect of Secured W&C Instruments, in aggregate Notional Amount or by number (as applicable), of Non-Waived Instruments outstanding may remove the Security Agent and appoint a replacement Security Agent. Holders of the Secured Instruments 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 Security Agent and/or the replacement of the Security Agent. Such inaction by the Security Agent will not entitle Holders of the Secured Instruments to take action in the United Kingdom directly against the Secured Instruments Collateral Provider to pursue remedies for any breach by the Secured Instruments Collateral Provider of the Deed of Charge, the Secured Instruments Conditions or Charged Documents. Any consequential delay in the liquidation or realisation of the Collateral Assets may adversely affect the amount distributable or deliverable to Holders of Secured Instruments.

No Fiduciary duties

In performing their duties under the Programme, none of the Secured Instruments Collateral Provider, the Custodian, the Collateral Agent, the Secured Instruments Valuation Agent or the Disposal Agent will act as a fiduciary or as an advisor to the Holders of Instruments in respect of their respective duties and do not act as a trustee for the Holders of Instruments. In performing its role under the Programme, the Security Agent does not act as an advisor to or fiduciary or trustee for the Holders of the Secured Instruments (either as a Series or individually) or any other party and nothing in any of the documents relating to the Programme shall be interpreted to constitute the Security Agent as a trustee or fiduciary of the Issuer, the Secured Instruments Collateral Provider, the Holders of the Secured Instruments or any other party.

(xi) **Risks relating to Preference Share Linked Notes**

Factors affecting the performance of the Preference Share Underlyings may adversely affect the value of the Preference Share Linked Notes

The relevant Issuer may issue Preference Share Linked Notes where the amount payable on redemption is determined by reference to the changes in the value of the preference shares (the "**Preference Shares**") issued by Preface Holdings Limited (the "**Preference Share Issuer**"). The Preference Shares will be linked to the economic performance of an underlying reference item or items including shares, indices, funds or exchange traded funds or baskets of shares, indices, funds or exchange traded funds (each a "**Preference Share Underlying**" and together, the "**Preference Share Underlyings**") and the value of the Preference Shares may fluctuate up or down depending on the performance of the relevant Preference Share Underlyings as set out in the Private Placement Memorandum of the relevant issue of Preference Shares (see "*Description of the Preference Share Issuer and the Preference Shares*" for details) and as specified in the applicable Final Terms. If, as a result of the performance of the Preference Share Underlyings, the performance of the Preference Shares is negative, the value of the Preference Share Linked Notes will be adversely affected. Purchasers of Preference Share Linked Notes risk losing all or a part of their investment if the value of the Preference Shares declines.

Preference Share Linked Notes may be subject to early redemption

Preference Share Linked Notes will be subject to early redemption if (i) an Early Redemption Event occurs, or (ii) Redemption at the Option of the Issuer is specified as "Applicable" in the applicable Final Terms and the Issuer gives notice to the Noteholders that it will redeem the Preference Share Linked Notes. In these circumstances the Issuer may redeem the Preference Share Linked Notes at (i) the Early Redemption Amount or (ii) the Optional Redemption Amount (as applicable). Following such early redemption, a Holder of Preference Share Linked Notes may not be able to reinvest the redemption proceeds at an equivalent rate of return to the Preference Share Linked Notes being redeemed and may only be able to do so at a significantly lower rate or in worse investment conditions. Potential investors should consider reinvestment risk in light of other available investments at the time they contemplate investing in Preference Share Linked Notes.

The taxation applicable to Preference Share Linked Notes may be subject to change

The basis and rate of taxation in respect of Preference Share Linked Notes and reliefs depend on each investor's individual circumstances and could change at any time. This could have a negative impact on the return of the Preference Share Linked Notes. Prospective investors should seek their own independent tax advice as to the possible tax treatment of redemption payments (such term including early or final redemption) received on Preference Share Linked Notes prior to investing.

Exposure to the Preference Share Underlyings

The Preference Share Underlyings may include, shares, indices, funds or exchange traded funds or baskets of shares, indices, funds or exchange traded funds, as may be determined by the Preference Share Issuer and specified in the Private Placement Memorandum of the relevant issue of Preference Shares. The composition of the relevant Preference Share Underlyings may be designed to change over time as a result of performance or other factors.

Prospective investors shall consider the risk factors set out in "Risks Relating to the Structure of a Particular Issue of Instruments" in respect of the risks involved in investing in Reference Item Linked Instruments. In considering these risk factors, prospective investors shall construe each reference to an Instrument as a reference to the Preference Shares and the relevant references to Reference Items as references to the Preference Share Underlyings of the same asset class.

Conflicts of interest may arise when Merrill Lynch International acts in different roles in respect of the Preference Share Linked Notes and Preference Shares

Merrill Lynch International is appointed by the Preference Share Issuer to act as calculation agent in respect of each class of Preference Shares. The calculation agent in respect of the Preference Shares has wide discretionary powers under the terms and conditions of the Preference Shares. For example, upon the occurrence of certain events relating to the Preference Share Issuer, the Preference Share Underlyings or the hedging arrangements in respect of the Preference Share Linked Notes and/or the Preference

Shares, the calculation agent may determine that the Preference Shares shall be early redeemed. An early redemption of the Preference Shares will result in an Early Redemption Event occurring under the Preference Share Linked Notes and that may result in prospective investors receiving less than their initial investments.

Merrill Lynch International will also act as structuring agent in respect of the Preference Shares and arranger in respect of the Preference Share Linked Notes. In performing such roles, Merrill Lynch International may enter into hedging arrangements in respect of the Preference Share Linked Notes and the Preference Shares as a principal. Merrill Lynch International may thus acquire positions in the Preference Share Underlyings and its interests may not necessarily align with the interests of prospective investors.

Merrill Lynch International is an Affiliate of the relevant Issuer and the Guarantor. By virtue of the different roles performed by it, potential conflicts of interest may arise when Merrill Lynch International acts in such capacities. Please see the risk factor headed "There may be conflicts of interest between the relevant Issuer, the Guarantor (if applicable), the relevant Dealer and/or their respective Affiliates and the Holders" for additional details.

10. Risks Relating to Floating Rate Notes

(a) Risks Relating to Floating Rate Notes and Notes That Bear Interest by Reference to a Reference Rate or SOFR, SONIA or TONA

*The following discussion of risks relates to Floating Rate Notes and Notes that bear interest by reference to a Reference Rate or SOFR, SONIA or TONA (together, "**Reference Rate Notes**").*

Reference Rate Notes bear additional risks

If the Notes bear interest at by reference to a Reference Rate for some or all of the term of the Notes, there will be additional significant risks not associated with a conventional fixed-rate note. These risks include fluctuation of the interest rates and the possibility that an amount of interest received is lower than expected or lower than one or more prior Interest Periods, which would result in the amount of interest payments being lower than the interest payments for prior Interest Periods and so could affect the market value of an investment in such Reference Rate Notes. In recent years, one or more interest rates have been volatile, and volatility in interest rates may be expected in the future. The Issuer has no control over a number of factors, including economic, financial, and political events, that are important in determining the existence, magnitude, and longevity of market volatility and other risks and their impact on the value of, or payments made on, the Reference Rate Notes. Volatility of rates may adversely impact the return on or market value of such Reference Rate Notes.

The Issuer or its affiliates may publish research reports that could affect the market value of the Reference Rate Notes

The Issuer or one or more of its affiliates, at present or in the future, may publish research reports with respect to movements in interest rates generally, or with respect to the transition to alternative reference rates or any Reference Rate that is used for the Reference Rate Notes specifically. This research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Reference Rate Notes. Any of these activities may adversely affect the market value of the Reference Rate Notes.

Regulation of certain "benchmark" rates may adversely affect the value of, return on and trading market for Reference Rate Notes that bear interest by reference to such rates

Previously, certain interest rates which are deemed to be "benchmark" rates have been the subject of national, international and other regulatory guidance, reform and other actions. This has resulted in regulatory reform and changes to existing benchmarks. Such reform of benchmarks includes the EU Benchmarks Regulation and the UK Benchmarks Regulation (together with the EU Benchmarks Regulation, the "**Benchmarks Regulations**"), which apply to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU and the UK, respectively. The Benchmarks Regulations are applicable to BBSW, EURIBOR, EUR EURIBOR ICE Swap Rate®, GBP SONIA ICE Swap Rate®, U.S. Dollar SOFR ICE Swap Rate®, Tokyo Swap Rate (for swaps referencing TONA) and the Applicable RFRs. Among other things, the Benchmarks

Regulations (i) require benchmark administrators to be authorised or registered (or, if non-EU-based or non-UK based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU and UK supervised entities, as applicable, of benchmarks of administrators that are not authorised or registered (or if non EU-based or UK-based, as applicable, not deemed equivalent or recognised or endorsed). The Benchmarks Regulations could have a material impact on any Reference Rate Notes referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulations. Such changes could, amongst other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

In addition, in the future, benchmark rates, including BBSW, EURIBOR, the Constant Maturity Swap rates and the Applicable RFRs, could be subject to further regulatory scrutiny, reform efforts and/or other actions. Any such regulatory scrutiny, reform efforts and/or other actions could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with applicable regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the elimination, discontinuance or obsolescence of certain "benchmarks". Following the implementation of reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated or discontinued entirely, or there could be other consequences that cannot be predicted. Even prior to the implementation of any changes, uncertainty as to the nature of potential alternative reference rates and as to the nature and effect of potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, as well as the value of, the return on and/or trading market for Notes linked to such benchmark. Any of the foregoing consequences could have a material adverse effect on the Rate of Interest on, value of, return on and trading market for any Notes linked to such a "benchmark" rate.

Future Performance of Reference Rates cannot be inferred from historical performance

No future performance of an applicable Reference Rate may be inferred from historical data about such Reference Rate. Future levels of an applicable Reference Rate may bear little or no relation to historical data about such Reference Rate. Prior observed patterns, if any, in the behaviour of market variables and their relation to such Reference Rate, such as correlations, may change in the future. Historical performance data are not indicative of, and have no bearing on, the potential performance of an applicable Reference Rate. If the pricing of a Note is based on prior performance of a Reference Rate and future performance is different, the returns on or market price of affected Notes may be adversely affected.

(b) **Risks relating to BBSW Notes**

*The following discussion of risks relates to Floating Rate Notes and Notes that bear interest by reference to BBSW ("**BBSW Notes**").*

Interest rate benchmarks (such as BBSW) have been and continue to be the subject of national and international regulatory guidance and proposals for reform. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the BBSW Notes.

Interest rate benchmarks (such as BBSW) have been and continue to be the subject of national and international regulatory guidance and proposals for reform. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence as it relates to BBSW could have a material adverse effect on the BBSW Notes.

In Australia, examples of reforms that are already effective include the replacement of the Australian Financial Markets Association as BBSW administrator with the Australian Securities Exchange, changes to the methodology for calculation of BBSW, and amendments to the Corporations Act 2001 (Cth) made by the Treasury Laws Amendment (2017 Measures No. 5) Act 2018 (Cth) which, among other things, enable the Australian Securities and Investment Commission ("ASIC") to make rules relating to the generation and administration of financial benchmarks. On 6 June, 2018, ASIC designated BBSW as a

"significant financial benchmark" and made the ASIC Financial Benchmark (Administration) Rules 2018 and the ASIC Financial Benchmarks (Compelled) Rules 2018.

Although many of the Australian reforms were designed to support the reliability and robustness of BBSW, it is not possible to predict with certainty whether, and to what extent, BBSW will continue to be supported or the extent to which related regulations, rules, practices or methodologies may be amended going forward. This may cause BBSW to perform differently than it has in the past, and may have other consequences which cannot be predicted. For example, it is possible that these changes could cause BBSW to cease to exist, to become commercially or practically unworkable, or to become more or less volatile or liquid. Any such changes could have a material adverse effect on the BBSW Notes.

In March 2021, the Reserve Bank of Australia expressed a view that calculations of BBSW using tenors of 3 months or 6 months are robust. The Reserve Bank of Australia, with the support of the Australian Prudential Regulation Authority and ASIC, has also recommended Australian institutions to adhere to the 2020 IBOR Fallbacks Protocol and associated Supplement to the 2006 ISDA Definitions which were launched by the International Swaps and Derivatives Association on October 23, 2020, where suitable for the relevant security. However, reference to a specific risk free rate (such as AONIA) as a fallback for BBSW has not yet been settled at an industry level in Australia or adopted. There is therefore risk of inconsistency in the application of potential risk free fallback rates across different products. However the Reserve Bank of Australia is actively promoting, as of the date of this Offering Circular, a coordinated industry-agreed position on the relevant fallback rate to use.

For the purposes of determining payments of interest on the BBSW Notes, investors should be aware that Additional Note Condition 2(b) provides for a fall back arrangement in the event that the relevant published benchmark cannot be determined for an Interest Period. Any such fall back rates may also, at the relevant time, be difficult to calculate, be more volatile than originally anticipated or not reflect the funding cost or return anticipated by investors.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by BBSW reforms and the potential for BBSW to be discontinued in making any investment decision with respect to any BBSW Notes.

(c) **Risks relating to TORF Notes**

*The following discussion of risks relates to Floating Rate Notes and Notes that bear interest by reference to TORF ("**TORF Notes**").*

The information regarding TORF that QUICK Benchmarks Inc., the administrator of TORF, makes publicly available may be limited

On its website, the Quick Benchmarks, Inc. ("**Quick**") provides a link to a third-party website that provides historical Tokyo Term Risk Free Rate ("**TORF**") rates on a daily basis for the preceding 180 days and a weekly basis for the preceding year. In order to obtain historical TORF rates from earlier periods, users must request such information from Quick. As a result, an investor may find it more difficult to obtain historical TORF data than data relating to certain other reference rates. In addition, the historical TORF data available through such third-party website may be published on a delayed basis. As of the date of this Offering Circular, the index methodology and other policy and procedure documents relating to TORF are available only in the Japanese language. In addition, Quick may make changes to the rate information or other rate information that it makes publicly available.

TORF is a new rate with a limited history, and the future performance of TORF cannot be predicted based on historical performance or other available information

The daily publication of TORF began on a prototype basis on 9 October, 2020 and on a production basis (i.e., for use in transactions) on 26 April, 2021, and, therefore, it has a limited history. All TORF rate information relating to dates prior to 26 April, 2021 is prototype rate information, which Quick published only as a reference to be used for preparation of the future administrative framework of TORF and was not intended for use in financial contracts. The future performance of TORF cannot be predicted based on the very limited historical and prototype data that is available. Future levels of TORF may bear little or no relation to the historical actual or historical indicative TORF data. Prior observed patterns, if any, in the behaviour of market variables and their relation to TORF, such as correlations, may change in the

future. While some pre-publication historical TORF rate data have been released by Quick, production of such historical indicative TORF data inherently involves assumptions, estimates and approximations. No future performance of TORF may be inferred from any of the historical actual or historical indicative TORF data. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of TORF.

In addition, the methodology Quick uses to calculate TORF relies on input data from a small number of institutions, which may lead to a delay of publication of TORF. According to Quick's website, data for calculating TORF is provided by reporting brokers designated by Quick. According to the most recent available information on Quick's website, there are three reporting brokers. In order to calculate TORF, at least two reporting brokers must report data to Quick. Quick may delay the publication of TORF until 6:30 pm Tokyo time if, for any reason, the number at least two reporting brokers to not report such data. If only one or no reporting brokers report data to Quick by 5:30 pm Tokyo time, the previous day's TORF will be published as TORF for the relevant day by 6:30 pm Tokyo time. In addition, the methodology relies on data from OIS market, so depending on the sufficiency of market liquidity of the underlying Overnight Index Swap (OIS) market, it may impair the robustness of TORF as a financial benchmark.

In addition, because TORF is a new rate with limited history, it may be less robust than more established benchmarks. For example, in speech in June 2021, the Deputy Governor of the Bank of Japan noted that there are important issues with the use of TORF to be addressed in terms of robustness as a financial benchmark, such as the establishment of the governance structure, improvement of transparency in the calculation process, and the sufficiency of market liquidity of the underlying OIS market. This could have an adverse impact on the liquidity for the affected Notes.

The composition and characteristics of TORF are not the same as those of JPY LIBOR, and TORF is not expected to be a comparable substitute or replacement for JPY LIBOR

In Japan, there are several candidates for alternative reference rates to replace the London interbank Offered Rate for Japanese yen ("**JPY LIBOR**"), which ceased publication following 31 December 2021, and one of such candidates is TORF. The composition and characteristics of TORF are not the same as JPY LIBOR and TORF is not the economic equivalent of JPY LIBOR. While JPY LIBOR included the cost of bank credit risk since it was calculated based on the submissions of panel banks of rates they can borrow unsecured funds in the interbank market, TORF is a risk free rate since it is a benchmark calculated based on the uncollateralised overnight call rate which involves almost no credit risk of financial institutions. The main characteristic of TORF is that it does not rely on rates provided by panel banks but uses Japanese yen OIS transaction rates. A Japanese yen OIS transaction is, according to Quick, a transaction where the value of the compounded uncollateralised overnight call rate is used to pay the floating interest rate or variable interest rate and swapped with a fixed rate. As a result, there can be no assurance that TORF will perform in the same way as JPY LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, bank credit risk, market volatility or global or regional economic, financial, political, regulatory, judicial or other events. For the same reasons, TORF is not expected to be a comparable substitute or replacement for JPY LIBOR.

TORF may be modified or discontinued, which could adversely affect the return on, value of or market for the TORF Notes

Quick (or any successor administrator) may make methodological or other changes that could change the value of TORF, including changes related to the method by which TORF is calculated, eligibility criteria applicable to the transactions used to calculate TORF, or timing related to the publication of TORF. In addition, TORF is published by Quick based on data received from sources other than the Issuer, and the Issuer has no control over the methods of calculation, publication schedule, rate revision practices or availability of TORF. If the manner in which TORF is calculated is changed, that change may result in a reduction of the amount of interest payable on the TORF Notes, which may adversely affect the trading prices of the TORF Notes. The administrator of TORF may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of TORF in its sole discretion and without notice and has no obligation to consider the interests of investors in the TORF Notes in calculating, withdrawing, modifying, amending, suspending or discontinuing TORF. For purposes of the formula used to calculate interest with respect to the TORF Notes, TORF in respect of a particular Interest Period will not be adjusted for any modifications or amendments to TORF data that Quick (or any successor administrator) may publish after the Calculation Agent has determined TORF for such Interest Period.

There can be no guarantee that TORF will not be modified or discontinued in a manner that is materially adverse to an investor in the TORF Notes. If the manner in which TORF is calculated is changed or if TORF is discontinued, that change or discontinuance could reduce or otherwise negatively impact the amount of interest that accrues on the TORF Notes, which could adversely affect the return on, value of and market for the TORF Notes.

The secondary trading market for TORF Notes may be limited

As of the date of this Offering Circular, the Issuer is not aware of TORF having been used as a reference rate for floating-rate or other types of notes, and it may not be widely used as such in the future. As a result, as of the date of this Offering Circular, no market exists for Japanese yen-denominated notes using TORF as a reference rate. If TORF does not prove to be widely used as a benchmark in securities that are similar or comparable to the TORF Notes, the trading price of the TORF Notes may be lower than those of debt securities with interest rates based on rates that are more widely used.

The market continues to develop in relation to TORF as a reference rate for floating rate and other types of notes

The market continues to develop in relation to TORF as a base rate as an alternative to JPY LIBOR. In particular, market participants and relevant working groups still are considering alternative reference rates based on TONA, including for example a compounded average of TONA calculated in arrears, as well as the TONA Averages and TONA Index published by the Quick. In addition, the Tokyo Interbank Offered Rate ("**TIBOR**"), an existing reference rate, is expected to continue to be used by market participants. The market or a significant part thereof may adopt a TONA-based rate or TIBOR. If the market adopts a TONA-based rate, TIBOR or another reference rate, that would likely adversely affect the market price of the TORF Notes.

(d) **Risks relating to the Applicable RFRs Generally**

*The following discussion of risks relates to Floating Rate Notes and Notes for which Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined. With respect to such Notes, the applicable Reference Rate will be calculated by reference to SOFR, SONIA or TONA (each, an "**Applicable RFR**"), in accordance with the Additional Note Conditions that are specified in Annex 17 and the applicable Final Terms to be applicable to the applicable Reference Rate and Notes bearing interest by reference thereto.*

The Applicable RFRs may be more volatile than other benchmark or market rates

Daily changes in the Applicable RFRs have, on occasion, been more volatile than daily changes in other benchmark or market rates during corresponding periods. In addition, although changes in the Compounded Daily Reference Rates generally are not expected to be as volatile as changes in the Applicable RFRs upon which such rates are based on a daily basis, the return on, value of and market for the Notes bearing interest by reference to a Compounded Daily Reference Rate may fluctuate more than floating-rate debt securities with interest rates based on less volatile rates.

The market continues to develop in relation to the Applicable RFRs as reference rates for floating rate and other types of Notes

The market continues to develop in relation to the Applicable RFRs as reference rates in the capital markets as alternatives to the relevant interbank offered rates. In particular, market participants and relevant working groups are still exploring alternative reference rates based on the Applicable RFRs. For example, the administrators of SOFR, SONIA and TONA have published compounded indices and/or compounded averages based on such rates. In addition, Quick Corp. publishes TORF, which seeks to measure the market's forward expectation of an average TONA over a designated term and could be used as an alternative to other reference rates based on TONA. TORF was recommended by the Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks as the first option to replace JPY LIBOR in fallback provisions for floating-rate debt securities linked to JPY LIBOR. The development of the Applicable RFRs as reference rates for the relevant bond markets, as well as continued development of potentially competing rates – whether based on the Applicable RFRs or otherwise – for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility

or could otherwise affect the market price of the Notes bearing interest by reference to the Applicable RFRs.

The relevant market or a significant part thereof may adopt a rate other than the Compounded Daily Reference Rate that is applicable with respect to a particular Series of Notes or may adopt an application of an Applicable RFR that differs significantly from that set out in the applicable Final Terms and the Additional Note Conditions. The Issuer may in the future also issue Notes referencing a Compounded Daily Reference Rate (which may, if so specified in the applicable Final Terms, be determined by reference to the applicable Compounded Index) that differs materially in terms of interest determination when compared with any previous Notes referencing the applicable Compounded Daily Reference Rate issued by it under this Programme. The development of the Compounded Daily Reference Rates as interest reference rates for the relevant bond markets, as well as continued development of risk-free rates for such markets and the market infrastructure for adopting such rate, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes that reference an Applicable RFR issued under the Program from time to time.

The manner of adoption or application of risk-free rates in the relevant bond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivative and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangement which they may put in place in connection with any acquisition, holding or disposal of Notes referencing an Applicable RFR.

The Applicable RFRs and the RFR Compounded Indices may be modified or discontinued and a Series of Notes with a Compounded Daily Reference Rate may bear interest by reference to a rate other than the original stated Compounded Daily Reference Rate, which could adversely affect the value of such Notes

The Applicable RFRs, which will be used in the calculation of a Compounded Daily Reference Rate, as so stated in the applicable Final Terms and the applicable Terms and Conditions, and the RFR Compounded Indices, which will be used in the calculation of a Compounded Daily Reference Rate as so stated in the applicable Final Terms and the applicable Terms and Conditions, are relatively new rates published by the third-party administrators based on data received by such administrators from sources other than the Issuer, and the Issuer has no control over the methods of calculation, publication schedule, rate revision practices or availability of such Applicable RFRs and RFR Compounded Indices at any time.

There can be no guarantee, particularly given their relatively recent introduction, that the Applicable RFRs and/or the RFR Compounded Indices will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes that bear interest by reference thereto. The administrator of an Applicable RFR or RFR Compounded Index may make methodological or other changes that could change the value of the Applicable RFR or RFR Compounded Index, including changes related to the method by which the Applicable RFR or RFR Compounded Index is calculated, eligibility criteria applicable to the transactions used to calculate the Applicable RFR and/or RFR Compounded Index, or timing related to the publication of the Applicable RFR and/or RFR Compounded Index. Such administrator may suspend or discontinue the calculation or dissemination of an Applicable RFR or RFR Compounded Index in its sole discretion and without notice and has no obligation to consider the interests of investors in Notes bearing interest by reference thereto in calculating withdrawing, modifying, amending, suspending or discontinuing an Applicable RFR and/or RFR Compounded Index. Any such change may result in a reduction in the amount of interest payable on a Series of Notes with a Compounded Daily Reference Rate that is determined by reference to such Applicable RFR or RFR Compounded Index, and the trading prices of such Series of Notes.

In addition, the administrator of an Applicable RFR or RFR Compounded Index may withdraw, modify or amend the published data with respect to the Applicable RFR or the RFR Compounded Index in the sole discretion of such administrator and without notice, in which case the Rate of Interest for an applicable Series of Notes the Compounded Daily Reference Rate for which is determined by reference to such Applicable RFR or RFR Compounded Index will not be adjusted for any modifications or amendments to such Applicable RFR or RFR Compounded Index data that the applicable administrator may publish after the Rate of Interest for an applicable Interest Period has been determined.

(e) **Risks relating to TONA Notes**

*The following discussion of risks relates to Floating Rate Notes and Notes that bear interest by reference to TONA ("**TONA Notes**").*

The information regarding TONA that the Bank of Japan makes publicly available may be limited

On its website, the Bank of Japan makes available certain information relating to the uncollateralised overnight call rate (also referred to as the Tokyo Overnight Average Rate ("TONA")), including certain information relating to the sources of input data for TONA and how such data is collected and analysed to produce TONA. However, the Bank of Japan does not publish a detailed methodology describing such input data and analysis, its policies and procedures relating to the collection of input data and production of TONA, or how such policies and procedures may change in the future. As a result, investors in the TONA Notes may find it more difficult to obtain information relating to TONA than certain other reference rates.

The composition and characteristics of TONA are not the same as those of JPY LIBOR, and TONA is not expected to be a comparable substitute or replacement for JPY LIBOR

In December 2016, the Japanese Study Group on Risk-Free Reference Rates announced TONA as its preferred risk-free rate for Japanese Yen. The composition and characteristics of TONA are not the same as those of JPY LIBOR. TONA measures the rates of transactions settled on the same day as the trade date and maturing the following business day in the uncollateralised call money market. TONA represents the weighted average of call rates for uncollateralised overnight transactions in Japanese Yen. TONA is not the economic equivalent of JPY LIBOR. While TONA currently is an overnight rate, JPY LIBOR was a forward-looking rate that represents interbank funding for a specified term. As a result, there can be no assurance that TONA will perform in the same way as JPY LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, bank credit risk, market volatility or global or regional economic, financial, political, regulatory, judicial or other events. For the same reasons, TONA is not expected to be a comparable substitute or replacement for JPY LIBOR. In addition, any failure of TONA to gain market acceptance could adversely affect the value of and market for the affected Notes.

The secondary trading market for TONA Notes may be limited

Since TONA has only recently been identified by the Japanese Study Group on Risk-Free Reference Rates as the preferred risk-free rate for Japanese Yen, the trading market in debt securities such as the TONA Notes may not develop or may not be very liquid.

As of the date of this Offering Circular, TONA has not been widely used as a reference rate for floating-rate debt securities. If TONA does not prove to be as widely used as a benchmark in securities that are similar or comparable to the TONA Notes, the trading price of the TONA Notes may be lower than those of debt securities with interest rates based on rates that are more widely used.

(f) **Risks relating to SOFR Notes**

*The following discussion of risks relates to Floating Rate Notes and Notes that bear interest by reference to SOFR ("**SOFR Notes**").*

Any failure of SOFR to maintain market acceptance could adversely affect the return on or value of the SOFR Notes and result in a limited secondary market for SOFR Notes

According to the ARRC, SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to USD LIBOR in part because it is considered a good representation of general funding conditions in the overnight U.S. Treasury repurchase agreement market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR a suitable substitute, replacement or successor for USD LIBOR which may, in turn, lessen market acceptance of SOFR.

Further, other index providers are developing products that are perceived as competing with SOFR. It is possible that market participants will prefer one of these competing products and that such competing

products may become more widely accepted in the marketplace than SOFR. To the extent market acceptance for SOFR as a benchmark for floating-rate debt securities declines, the return on and value of the SOFR Notes and the price at which investors can sell the SOFR Notes in the secondary market could be adversely affected. In addition, investors in the SOFR Notes may not be able to sell the SOFR Notes at all or may not be able to sell the SOFR Notes at prices that will provide them with a yield comparable to similar investments that continue to have a developed secondary market and may consequently suffer from increased pricing volatility and market risk.

The selection of a SOFR Benchmark Replacement could adversely affect the return on, value of or market for affected SOFR Notes

If the Issuer or its designee, after consulting with the Issuer, determines that a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date have occurred with respect to SOFR, the applicable SOFR Benchmark Replacement will replace the then-current SOFR Benchmark (which will be a rate based on SOFR at the original issue date of the relevant SOFR Notes) for all purposes relating to such SOFR Notes. If a particular SOFR Benchmark Replacement or SOFR Benchmark Replacement Adjustment cannot be determined, then the next-available SOFR Benchmark Replacement or SOFR Benchmark Replacement Adjustment will apply. These replacement rates and adjustments may be selected or formulated by (i) the SOFR Benchmark Replacement Relevant Governmental Body (such as the ARRC), (ii) the International Swaps and Derivatives Association, Inc. ("**ISDA**") or any successor thereto or (iii) in certain circumstances, the Issuer or its designee (which may be the Issuer's affiliate), after consulting with the Issuer.

In addition, the terms of the SOFR Notes expressly authorise the Issuer or its designee (which may be the Issuer's affiliate), after consulting with the Issuer, in connection with a SOFR Benchmark Replacement to make SOFR Benchmark Replacement Conforming Changes with respect to, among other things, the determination of Interest Periods and the timing and frequency of determining rates and making payments of interest and other administrative matters. The application of a SOFR Benchmark Replacement and SOFR Benchmark Replacement Adjustment, and any implementation of SOFR Benchmark Replacement Conforming Changes, could result in adverse consequences to the Rate of Interest or amount of interest payable on the SOFR Notes, which could adversely affect the return on, value of and market for such SOFR Notes and the price at which investors may be able to sell such SOFR Notes.

Moreover, certain determinations, decisions and elections with respect to the SOFR Benchmark Replacement and any SOFR Benchmark Replacement Conforming Changes, or the occurrence or non-occurrence of a SOFR Benchmark Transition Event, may require the exercise of discretion and the making of subjective judgments by the Issuer or its designee (after consulting with the Issuer). Any determination, decision or election made by the Issuer or its designee pursuant to the SOFR benchmark transition provisions set forth in Additional Note Condition 4(c) will, if made by the Issuer, be made in its sole discretion and, if made by the Issuer's designee, be made after consultation with the Issuer and, in each case, will become effective without consent from the holders of the affected SOFR Notes or any other party. The Issuer may designate an entity to make any determination, decision or election that the Issuer has the right to make in connection with the SOFR benchmark transition provisions set forth Additional Note Condition 4(c). Any designee that the Issuer may appoint in connection with these determinations, decisions or elections may be the Issuer's affiliate. When performing such functions, potential conflicts of interest may exist between the Issuer, its designee and investors in the SOFR Notes and making such potentially subjective determinations may adversely affect the return on, value of and market for the SOFR Notes. All determinations by the Issuer or its designee in the Issuer's or the designee's discretion will be conclusive for all purposes and binding on the Issuer and investors in the applicable SOFR Notes absent manifest error.

Further, (i) the composition and characteristics of any SOFR Benchmark Replacement for a Series of SOFR Notes will not be the same as those of the applicable SOFR rate for a Series of SOFR Notes, the SOFR Benchmark Replacement will not be the economic equivalent of SOFR, there can be no assurance that the SOFR Benchmark Replacement will perform in the same way as SOFR would have at any time and there is no guarantee that the SOFR Benchmark Replacement will be a comparable substitute for SOFR (each of which means that a SOFR Benchmark Transition Event could adversely affect the return on, value of and market for the applicable Series of SOFR Notes), (ii) any failure of the SOFR Benchmark Replacement to gain market acceptance could adversely affect the relevant Series of SOFR Notes, (iii) the SOFR Benchmark Replacement may have a very limited history and the future performance of the

SOFR Benchmark Replacement may not be able to be predicted based on historical performance, (iv) the secondary trading market for debt securities linked to the SOFR Benchmark Replacement may be limited and (v) the administrator of the SOFR Benchmark Replacement may make changes that could change the value of the SOFR Benchmark Replacement or discontinue the SOFR Benchmark Replacement and would not have any obligation to consider the interests of investors in the relevant Series of SOFR Notes in doing so.

(g) **Risks Relating to Swap Rate Notes**

*The following discussions of risks relate to Floating Rate Notes for which the applicable Final Terms specify EUR EURIBOR ICE Swap Rate®, GBP SONIA ICE Swap Rate®, U.S. Dollar SOFR ICE Swap Rate®, Tokyo Swap Rate (for swaps referencing TONA), the KRW CMS Rate or the Constant Maturity Swap Rate (such rates together, the "**Swap Rates**") to be the Reference Rate (such Notes, the "**Swap Rate Notes**").*

Certain of the following discussions of risks relate to sub-categories of Swap Rate Notes, including Floating Rate Notes for which the applicable Final Terms specify the Reference Rate to be:

- *GBP SONIA ICE Swap Rate®, U.S. Dollar SOFR ICE Swap Rate® or Tokyo Swap Rate (for swaps referencing TONA) (such rates, together, the "**RFR Swap Rates**" and such Notes, the "**RFR Swap Rate Notes**");*
- *GBP SONIA ICE Swap Rate®, U.S. Dollar SOFR ICE Swap Rate® or EUR EURIBOR ICE Swap Rate® (such rates together, the "**ICE Swap Rates**" and such Notes, the "**ICE Swap Rate Notes**");*
- *Tokyo Swap Rate (for swaps referencing TONA) (such rate, "**TONA TSR**" and such Notes, "**TONA TSR Notes**");*
- *EUR EURIBOR ICE Swap Rate® (such rate, the "**EUR ICE Swap Rate**" and such Notes, "**EUR ICE Swap Rate Notes**"); and*
- *KRW CMS Rate (such rate, the "**KRW CMS Rate**" and such Notes, the "**KRW CMS Rate Notes**")*
- *Constant Maturity Swap Rate for the Specified Currency specified in the applicable Final Terms (each such rate, a "**Specified CMS Rate**" and such Notes, "**Specified CMS Rate Notes**").*

(i) *Risks Relating to RFR Swap Rate Notes*

The following discussion of risks relates to RFR Swap Rate Notes. Investors should carefully consider the following discussion of risks before investing in any such Notes.

The RFR Swap Rates are new benchmarks, and the future performance of the RFR Swap Rates cannot be predicted based on the limited historical information available.

ICE Benchmark Administration ("**IBA**") began publication of the U.S. Dollar SOFR ICE Swap Rate® on 8 November, 2021 and the GBP SONIA ICE Swap Rate® on 14 December, 2020. On 28 October, 2021, the Refinitiv Benchmark Services (UK) Limited ("**RBSL**") announced publication of TONA TSR, for available tenors, as a production benchmark. As a result, there is very limited historical information on which to evaluate the performance of the RFR Swap Rates or on which to base a prediction as to their future performance, which may bear little or no relation to such limited information. The very limited historical information is not necessarily indicative of the future performance of the RFR Swap Rates or the value of the RFR Swap Rate Notes, and any historical upward or downward trend in the level of the RFR Swap Rates during any period is not an indication that the level of the applicable benchmark is more or less likely to increase or decrease over the term of the applicable RFR Swap Rate Notes. The actual future levels of the RFR Swap Rates may be lower than any available historical data, and this could adversely affect the return on, value of and market for the affected Notes. An investment in the RFR Swap Rate Notes may involve more risk than investing in Notes linked to benchmarks or indices with established performance records, where a longer history of performance may be available so that investors have more information on which to base an investment decision.

The composition of the RFR Swap Rates is not the same as the U.S. Dollar LIBOR ICE Swap Rate®, the Sterling LIBOR ICE Swap Rate® or the Tokyo Swap Rate (for swaps referencing 6-month JPY interbank offered rates from London banks) (together, the "LIBOR Swap Rates"), as applicable, and the RFR Swap Rates are not expected to be a comparable substitute or replacement for the LIBOR Swap Rates.

The composition of the RFR Swap Rates is not the same as the LIBOR Swap Rates, and the RFR Swap Rates are not expected to be a comparable substitute or replacement for the LIBOR Swap Rates.

The U.S. Dollar LIBOR ICE Swap Rate® seeks to represent the mid-price for the semi-annual fixed leg of an interest rate swap where the floating leg is based on three-month U.S. dollar LIBOR payable quarterly, calculated on the basis of a 360-day year consisting of twelve 30-day months. The U.S. Dollar SOFR ICE Swap Rate® seeks to represent the annual fixed leg of an interest rate swap where the floating leg is based on a compounded average of the daily SOFR administered by the Federal Reserve Bank of New York (the "**New York Fed**") (or any successor administrator) compounded in arrears for twelve months payable annually using standard market conventions, calculated on the basis of the actual number of days elapsed, with a year presumed to comprise 360 days.

The Sterling LIBOR ICE Swap Rate seeks to represent the mid-price for the semi-annual fixed leg of an interest rate swap where the floating leg is based on three-month or six-month Sterling LIBOR payable quarterly, calculated on the basis of a 360-day year consisting of twelve 30-day months. The SONIA ICE Swap Rate seeks to represent the annual fixed leg of an interest rate swap where the floating leg is based on a compounded average of the daily SONIA administered by the BOE (or any successor administrator) compounded in arrears for twelve months payable annually using standard market conventions, calculated on the basis of the actual number of days elapsed, with a year presumed to comprise 360 days.

RBSL ceased publication of the Tokyo Swap Rate (for swaps referencing 6-month JPY interbank offered rates from London banks) ("**JPY LIBOR TSR**") following 30 December, 2021. Prior to its cessation, JPY LIBOR TSR measured the fixed leg of a swap referencing 6 month JPY LIBOR, determined using input data from a panel of seven banks. The Tokyo Swap Rate (for swaps referencing TONA) is a benchmark rate for OIS referencing TONA, and differs in significant respects from JPY LIBOR TSR. TONA, the rate referenced in the swap transactions that Tokyo Swap Rate (for swaps referencing TONA) is designed to represent, measures the rates of transactions settled on the same day as the trade date and maturing the following business day in the uncollateralised call money market. TONA represents the weighted average of call rates for uncollateralised overnight transactions in Japanese yen.

The composition and characteristics of the SOFR, SONIA and TONA rates described above and underlying the RFR Swap Rates are not the same as those of three-month U.S. dollar LIBOR, three-month Sterling LIBOR or six-month JPY LIBOR, as applicable, nor are such SOFR, SONIA and TONA rates the economic equivalent of three-month U.S. dollar LIBOR, three-month Sterling LIBOR or six-month JPY LIBOR, as applicable. Thus, the RFR Swap Rates have been designed with respect to swap transactions referencing rates that differ in significant respects from the rates referenced in the swap transactions with respect to which the LIBOR Swap Rates were designed. As a result, the Rate of Interest on and value of the RFR Swap Rate Notes may perform differently over time from the manner in which the interest rate and value of debt securities with comparable terms and provisions that were linked to the applicable LIBOR Swap Rates would perform. In addition, any failure of the RFR Swap Rates to gain market acceptance could adversely affect the value of and market for the affected Notes.

The secondary trading market for the RFR Swap Rate Notes may be limited.

Publication of the RFR Swap Rates began recently, and, as of the date of this Offering Circular, use of these rates as reference rates for floating-rate notes is very limited. In addition, the RFR Swap Rates may not be widely used as such in the future. If the RFR Swap Rates do not prove to be widely used as a benchmark in securities that are similar or comparable to the RFR Swap Rate Notes, a trading market for the Swap Rate Notes may fail to develop or be maintained, and the trading price of the Swap Rate Notes may be lower than those of debt securities with rates of interest based on rates that are more widely used.

(ii) *Risks Relating to ICE Swap Rate Notes*

The following discussion of risks relates to ICE Swap Rate Notes.

A lack of input data may impact IBA's ability to calculate and publish the ICE Swap Rates for one or more tenors.

The input data for the ICE Swap Rates is based on swaps referencing SOFR, SONIA or EURIBOR, as applicable, as the floating leg. The ICE Swap Rates are dependent on receiving sufficient eligible input data, from the trading venue sources identified by IBA in accordance with the "Waterfall" methodology for each applicable ICE Swap Rate tenor. The ability of the applicable trading venues to provide sufficient eligible input data in accordance with the Waterfall methodology depends on, among other things, there being a liquid market in swap contracts referencing SOFR, SONIA or EURIBOR, as applicable, on such trading venues, which in turn depends, among other things, on there being a liquid market in loans, floating rate debt securities and other financial contracts referencing SOFR, SONIA or EURIBOR, as applicable. Because SOFR's and SONIA's use as a reference rate for financial contracts began relatively recently and the related market for SOFR and SONIA-based swaps is relatively new, there is limited information on which to assess potential future liquidity in SOFR and SONIA-based swap markets or in the market for SOFR and SONIA-based financial contracts more generally. In addition, although EURIBOR has been reformed in order to comply with the terms of the EU Benchmarks Regulation, its future remains uncertain. It is not known how long EURIBOR will continue in its current form and there is uncertainty with regards to the future liquidity in EURIBOR-based swap markets or in the market for EURIBOR-based financial contracts more generally. If the market for SOFR, SONIA and EURIBOR-based swap contracts is not sufficiently liquid, or if the liquidity in such market proves to be volatile, this could result in the inability of IBA to calculate the ICE Swap Rates on certain occasions, which could materially adversely affect the reliability of ICE Swap Rates, and could adversely affect the return on and value of the ICE Swap Rate Notes and the price at which you are able to sell such Notes in the secondary market, if any. In addition, if SOFR, SONIA or EURIBOR does not maintain market acceptance for use as reference rates for U.S. dollar, sterling or euro-denominated financial contracts, as applicable, uncertainty about SOFR, SONIA or EURIBOR may adversely affect the return on and the value of the ICE Swap Rate Notes.

The information regarding the ICE Swap Rates that IBA makes publicly available is limited.

Certain information and materials relating to the ICE Swap Rates are available on IBA's website at https://www.theice.com/iba/ice-swap-rate (including any successor or replacement source, the "**ICE Swap Rate® Website**"). Currently, publicly available rate information for the ICE Swap Rates can be viewed only on the ICE Report Center on the ICE Swap Rate® Website, and, for any particular day, the only rate available for viewing is the rate published for the preceding publication day. In addition, as of the date of this Offering Circular, such rate appearing on the ICE Report Center is rounded to two decimal places and does not represent the actual ICE Swap Rate data that will be used to determine the applicable ICE Swap Rate for purposes of calculating interest on the ICE Swap Rate Notes (which rate will be that published on the designated swap rate page and rounded to three decimal places). As of the date of this Offering Circular, a paid subscription to the Bloomberg Professional Services service is required to obtain additional ICE Swap Rate data (such as historical ICE Swap Rate rates rounded to three decimal places). IBA has not indicated whether such information will become publicly available in the future or the ICE Swap Rates will be made available from another source. As a result of this limited publicly available information, it may be difficult for an investor to determine the applicable ICE Swap Rate for a specific date or dates.

(iii) *Risks Relating to TONA TSR Notes*

The following discussion of risks relates to TONA TSR Notes.

A lack of input data may impact Refinitiv's ability to calculate and publish TONA TSR for one or more tenors.

Because TONA TSR is a new reference rate, all potential limitations of such rate are not known. However, RBSL has identified certain potential limitations on TONA TSR. RBSL has stated that determination of TONA TSR is dependent on receiving sufficient input data—consisting of (i) dealer quotes taken from Tradeweb, a dealer-to-client trading platform, and (ii) indicative rates for spot starting TONA overnight index swaps ("**OIS**") contracts cleared by the Japan Securities Clearing Corporation ("**JSCC**") taken from an inter-dealer broker, TP ICAP—from the input data sources for each applicable TONA TSR tenor. In this regard, RBSL has stated that the ability of the dealer-to-client trading platforms and inter-dealer brokers to provide accurate input data relies on there being a liquid market in TONA

OIS contracts and, in addition, that technical problems or extreme market events may lead to insufficient input data for determination of TONA TSR. In addition, RBSL has stated that, in order for TONA TSR to be a reliable reference rate for TONA OIS rates both of the following conditions should be satisfied: (i) there is liquidity in the market for TONA OIS cleared by JSCC and (ii) the input data (Tradeweb and TP ICAP) are representative of this TONA OIS liquidity. If either of such conditions is not satisfied, this could materially adversely affect the reliability of TONA TSR. The existence of a liquid market for TONA OIS contracts depends, among other things, on there being a liquid market in loans, floating rate notes and other financial contracts referencing TONA. Because TONA's use as a reference rate for financial contracts began relatively recently and the related market for TONA-based OIS is relatively new, there is limited information on which to assess potential future liquidity in TONA-based OIS markets or in the market for TONA-based financial contracts more generally. If the market for TONA-based OIS contracts is not sufficiently liquid, or if the liquidity in such market proves to be volatile, this could result in the inability of RBSL to calculate TONA TSR on certain occasions and could adversely affect the return on and value of the TONA TSR Notes and the price at which an investor in the TONA TSR Notes is able to sell the TONA TSR Notes in the secondary market, if any. In addition, if TONA does not achieve and maintain market acceptance for use as reference rates for Japanese yen-denominated financial contracts, uncertainty about TONA may adversely affect the return on and the value of the TONA TSR Notes.

The information regarding TONA TSR that Refinitiv makes publicly available is limited.

Certain Information and materials relating to TONA TSR are available on Refinitiv Limited's ("**Refinitiv**") website at https://www.refinitiv.com/en/financial-data/financial-benchmarks/tokyo-swap-rate (including any successor or replacement source, the "**TONA TSR Website**"). Hyperlinks to additional pages on the TONA TSR Website or other portions of Refinitiv's website that provide additional information are available in certain of such information and materials. Currently, RBSL does not make publicly available historical rates for TONA TSR and has not indicated whether such information will become publicly available in the future. Furthermore, the Issuer has no information on which to base any expectation that any such information will become publicly available in the future. In order to access such information, an investor in the TONA TSR Notes will need to obtain a paid subscription to a Refinitiv service such as Refinitiv Eikon. In addition, if RBSL/Refinitiv (or any successor administrator) changes its practices and makes additional rate information available in the future, there can be no assurance that RBSL/Refinitiv (or any such successor administrator) would continue the practice of making such information publicly available. As a result of this limited publicly available information, it may be difficult for an investor in the TONA TSR Notes to determine the Rate of Interest on the TONA TSR Notes for a specific date or dates.

(iv) *Risks Relating to EUR ICE Swap Rate Notes*

The following discussion of risks relates to EUR ICE Swap Rate Notes.

Regulation, reform and the actual or potential discontinuation of EURIBOR may adversely affect the return on, value of and market for EUR ICE Swap Rate Notes.

The EUR EURIBOR ICE Swap Rate® is designed to represent the fixed rate of interest payable on a hypothetical interest rate swap whose floating leg is based on three- or six-month EURIBOR. On September 21, 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" to serve as a basis for an alternative to benchmarks used in a variety of financial instruments and contracts used in the euro area. On September 13, 2018, the working group on euro risk-free rates recommended the new euro short-term rate ("**€STR**") as the new risk free rate for the euro area. €STR was published for the first time on October 2, 2019. In addition, in response to regulatory scrutiny and applicable legal requirements, the European Money Markets Institute (the "**EMMI**"), as administrator of EURIBOR, conducted a series of consultations on a proposed reformed hybrid methodology for EURIBOR. In July 2019, EMMI published its EURIBOR Benchmark Statement setting forth its reformed hybrid methodology and received regulatory authorisation for the continued administration of EURIBOR. Although EURIBOR has been reformed in order to comply with the terms of the EU Benchmarks Regulation, its future remains uncertain. It is not known how long EURIBOR will continue in its current form. At this time, there is still uncertainty as to what rate or rates may become market accepted alternatives to EURIBOR, and it is impossible to predict the effect of any such alternatives on the value of EURIBOR, and therefore, the values of, and the method of calculating, the EUR EURIBOR ICE Swap Rate®. Any of these

developments could have a material adverse effect on the value and the return on the EUR ICE Swap Rate Notes.

(v) *Risks Relating to KRW CMS Rate Notes*

The following discussion of risks relates to KRW CMS Rate Notes.

Regulation, reform and the actual or potential discontinuation of the 91-day Korean won CD rate for the applicable Specified CMS Rate may adversely affect the return on, value of and market for KRW CMS Rate Notes

Over the past decade, certain interest rates, such as LIBOR and EURIBOR, which are deemed to be "benchmark" rates have been the subject of national, international and other regulatory guidance, reform and other actions. This has resulted in regulatory reform and changes to—and cessation of—many existing benchmarks. In addition, in many markets new benchmark reference rates, such as SOFR, SONIA and TONA, have increasingly been adopted as replacements for LIBOR, EURIBOR and other benchmarks that previously were market standard rates.

The 91-day Korean won certificate of deposit ("**CD**") rate is the floating rate leg for swap transaction upon which the KRW CMS Rate is based, is uncertain. It has been reported that the volume of Korean won CD transactions has diminished in recent years, and that the long-term future of the 91-day Korean won rate is uncertain. On 26 February 2021, the Korea Financial Services Commission ("**FSS**") and the Bank of Korea announced that a market participant task force on benchmark interest rate reform had picked an overnight repo rate as the new risk-free rate. Furthermore, the FSS designated on September 2021, the Korea Overnight Financing Repo Rate ("**KOFR**") as a critical benchmark which has been published by the Korea Securities Depository since November 2021 (http://www.kofr.kr) and announced on December 2021 that the FSS will try to have the CD rate replaced by KOFR in the market in the medium to long term. However, at this time, there is uncertainty with respect to the future of the 91-day Korean won CD rate, as well as when KOFR or other rates may become market accepted alternatives to the CD rate, and it is impossible to predict the effect of any such uncertainty or alternatives on the value of the KRW CMS Rate, and therefore, the values of, and the method of calculating, the KRW CMS Rate. Any of these developments could have a material adverse effect on the value and the return on the KRW CMS Rate Notes.

Publicly available information regarding the bid and ask rates from which the KRW CMS Rate is calculated is limited

The KRW CMS Rate is calculated as the arithmetic mean of the bid and ask rates for a Korean won deliverable interest rate swap with a term of the Specified Maturity (quoted on an Actual/365 (Fixed) day count basis) where the floating leg is based on the 91-day Korean won CD rate, as provided by Tullett Prebon Information and appearing on Bloomberg Page "GDCO 4572 33". Tullett Prebon Information does not make publicly available any historical rate information with respect to the KRW CMS Rate, or any information relating to the data/information that is used to calculate or determine the bid and ask rates that it provides to Bloomberg, the sources from which such data/information is obtained, how it calculates such bid and ask rates, or its publication practices with respect thereto. A paid subscription to an information services provider such as Bloomberg is required to obtain historical rate information relating to the bid and ask rates upon which the KRW CMS Rate is based. As a result of this extremely limited publicly available information, it may be difficult for an investor in the KRW CMS Rate Notes to analyse potential risks relating to such rate or determine the Rate of Interest on the KRW CMS Rate Notes for a specific date or dates.

The KRW CMS Rate is not an administered rate and is not subject to regulation

Certain swap rate benchmarks, such as the ICE Swap Rates and TONA TSR, are administered by regulated benchmark administrators such as IBA and Refinitiv. Such swap rate benchmarks are subject to regulation under applicable law, including the UK Benchmarks Regulation and EU Benchmarks Regulation. Regulated swap rate benchmarks generally must be calculated pursuant to a methodology and meet certain standards relating to, among other matters, methodology, representativeness, input data and governance and oversight. Neither the KRW CMS Rate nor the bid and ask rates from which the KRW CMS rate is calculated are administered by a regulated benchmark administrator, and they are not subject to regulation. As a result, Tullett Prebon Information, the provider of the bid and ask rates from

which the KRW CMS Rate is calculated has wide discretion with respect to the methodology it uses to calculate such bid and ask rates, the data/information that it uses to calculate or determine such bid and ask rates, the sources from which it obtains such data/information and other matters. As a result, it is possible that the KRW CMS Rate may be less robust, less representative and/or more susceptible to manipulation than regulated benchmarks published by regulated benchmark administrators. In addition, the KRW CMS Rate may be more easily influenced by a single transaction or price quotation or small number of transactions or price quotations than typically would be the case for a regulated swap rate benchmark administered by a regulated benchmark administrator. These factors may make performance of the KRW CMS Rate more unpredictable, which could have a material adverse effect on the value and the return on the KRW CMS Rate Notes.

(vi) *Risks* Relating to Specified CMS Rate Notes

The following discussion of risks relates to Specified CMS Rate Notes.

The Specified CMS Rate may be a new rate and, if so, the composition and characteristics might not be the same as other swap rates for the Specified Currency.

The Specified CMS Rate specified in the applicable Final Terms may have existed for a limited amount of time prior to issuance of the applicable Specified CMS Rate Notes. In such a case, there may be very limited historical information on which to evaluate the performance of such Specified CMS Rate or on which to base a prediction as to its future performance, which may bear little or no relation to such limited information. The very limited historical information will not necessarily be indicative of the future performance of such Specified CMS Rate or the value of the Specified CMS Rate Notes, and any historical upward or downward trend in the level of such Specified CMS Rate during any period will not be an indication that the level of such rate is more or less likely to increase or decrease over the term of the applicable Series of Specified CMS Rate Notes. The actual future levels of a Specified CMS Rates may be lower than any available historical data, and this could adversely affect the return on, value of and market for the affected Specified CMS Rate Notes. An investment in Specified CMS Rate Notes may involve more risk than investing in Notes linked to benchmarks, rates or indices with established performance records, where a longer history of performance may be available so that investors have more information on which to base an investment decision.

If the Specified CMS Rate specified in the applicable Final Terms, there may already be one or more swap rates used for the Specified Currency ("**Existing Swap Rates**"). The composition and characteristics of a Specified CMS Rate may not be the same as any Existing Swap Rates for the Specified Currency, and the Specified CMS Rate may not be the economic equivalent, or a comparable substitute or replacement for, such Existing Swap Rates.

The Existing Swap Rate(s) with respect to a Specified CMS Rate may seek to represent a rate that differs in significant respects from the rate underlying swap transactions that such Specified CMS Rate seeks to measure. For example, a Specified CMS Rate may seek to represent the fixed rate leg of an interest rate swap where the floating leg is based on a risk-free rate, whereas the Existing Swap Rate may seek to measure the fixed rate leg of an interest rate swap where the floating leg is based on a forward-looking term rate that includes a credit risk component. In addition, the Existing Swap Rate may refer to different day count and payment conventions from those referred to by the applicable Specified CMS Rate. Thus, it is possible that a Specified CMS Rate will have been designed with respect to swap transactions that differ in fundamental and significant respects from the rate referenced in the swap transactions with respect to which the Existing Swap Rates were designed. As a result, the Rate of Interest on and value of Specified CMS Rate Notes may perform differently over time from the manner in which the interest rate and value of debt securities with comparable terms and provisions that were linked to the Existing Swap Rates would perform.

Regulation, reform and the actual or potential discontinuation of the floating rate leg for the applicable Specified CMS Rate may adversely affect the return on, value of and market for Specified CMS Rate Notes.

Over the past decade, certain interest rates, such as LIBOR and EURIBOR, which are deemed to be "benchmark" rates have been the subject of national, international and other regulatory guidance, reform and other actions. This has resulted in regulatory reform and changes to many existing benchmarks. In addition, in many markets new benchmark reference rates, such as SOFR, SONIA and TONA, have

increasingly been adopted as replacements for LIBOR, EURIBOR and other benchmarks that previously were market standard rates. At this time, there is still uncertainty as to the floating rate leg with respect to a Specified CMS Rate, and what rate or rates may become market accepted alternatives to existing rates, and it is impossible to predict the effect of any such uncertainty or alternatives on the value of the Specified CMS Rate, and therefore, the values of, and the method of calculating, the Specified CMS Rate. Any of these developments could have a material adverse effect on the value and the return on the Specified CMS Rate Notes.

The information regarding the Specified CMS Rate that the Designated Constant Maturity Swap Administrator or the Designated Constant Maturity Swap Provider, as applicable, makes publicly available may be extremely limited.

Certain Information and materials relating to the Specified CMS Rate may be available on the website of the Designated Constant Maturity Swap Administrator or the Designated Constant Maturity Swap Provider, as applicable. Any such information that is made available may be extremely limited. For example, such website may not provide historical rate information with respect to the Specified CMS Rate and may not provide any information relating to the data/information that is used to calculate or determine the Specified CMS Rate, the sources from which such data/information is obtained, how the Specified CMS Rate is calculated, and publication practices with respect thereto. A paid subscription to an information services provider such as Bloomberg or Refinitiv may be required to obtain historical rate information relating to the applicable Specified CMS Rate. In addition, if the Designated Constant Maturity Swap Administrator or the Designated Constant Maturity Swap Provider, as applicable, does provide any information relating to the applicable Specified CMS Rate, such Designated Constant Maturity Swap Administrator or the Designated Constant Maturity Swap Provider may change its practices in the future and cease providing such information. If the publicly available information relating to the applicable Specified CMS Rate is limited, it may be difficult for an investor in the Specified CMS Rate Notes to analyse potential risks relating to such rate or determine the Rate of Interest on the Specified CMS Rate Notes for a specific date or dates.

The Specified CMS Rate may not be an administered rate and may not be subject to regulation.

Certain swap rate benchmarks, such as the ICE Swap Rates and TONA TSR, are administered by regulated benchmark administrators such as IBA and Refinitiv. Such swap rate benchmarks are subject to regulation under applicable law, including the UK Benchmarks Regulation and EU Benchmarks Regulation. Regulated swap rate benchmarks generally must be calculated pursuant to a methodology and meet certain standards relating to, among other matters, methodology, representativeness, input data and governance and oversight. The Specified CMS Rate may not be administered by a regulated benchmark administrator and may not be subject to regulation. As a result, the publisher or provider of Specified CMS Rate may have wide discretion with respect to the methodology it uses to calculate such Specified CMS Rate, the data/information that it uses to calculate or determine the Specified CMS Rate, the sources from which it obtains such data/information and other matters. As a result, it is possible that an applicable Specified CMS Rate may be less robust, less representative and/or more susceptible to manipulation than regulated benchmarks published by regulated benchmark administrators. In addition, depending on the methodology used by the publisher or provider of an applicable Specified CMS Rate and the liquidity of the market for swaps that such Specified CMS Rate is designed to measure, such Specified CMS Rate may be more easily influenced by a single transaction or price quotation or small number of transactions or price quotations than typically would be the case for a regulated swap rate benchmark administered by a regulated benchmark administrator. These factors may make performance of an applicable Specified CMS Rate more unpredictable, which could have a material adverse effect on the value and the return on the Specified CMS Rate Notes.

(vii) *Risk Relating to Swap Rate Notes*

The following discussion of risks relates to all Swap Rate Notes.

The Swap Rates may be modified or discontinued, which could adversely affect the return on, value of or market for the Swap Rate Notes.

The applicable administrator, publisher or provider for any Swap Rate (or any successor administrator) may make methodological or other changes that could change the value of an applicable Swap Rate, including changes related to the method by which such rate is calculated, eligibility criteria applicable to

the transactions used to calculate such rate, including the trading venues for such transactions, or timing related to the determination or publication of such rate, or may cease the calculation or dissemination of such rate. Depending on the circumstances, such change or cessation could be implemented with little or no public notice or consultation. Any such changes may result in a reduction of the applicable Swap Rate and, in turn, reduce the amount of interest payable on the Swap Rate Notes, which may adversely affect the return on, value of and market for the Swap Rate Notes. In addition, the Swap Rates are determined by the applicable administrator based on data received from sources other than the Issuer, and the Issuer does not have any control over the methods of calculation, publication schedule, rate revision practices or availability of such data.

If the applicable Swap Rate does not appear on the applicable Relevant Screen Page at the Relevant Time, and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred, the applicable Swap Rate will be determined by the Calculation Agent (which is one of the Issuer's affiliates) using alternative methods, which will involve the exercise of discretion by the Calculation Agent.

If the applicable Swap Rate does not appear on the Relevant Screen Page at the specified time on an applicable Interest Determination Date (for example, as a result of insufficient liquidity in the underlying applicable swap contracts market) and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred with respect to the Swap Rate, the Calculation Agent will determine the Swap Rate for such applicable Interest Determination Date in its sole discretion, after consulting such sources as it deems comparable to the Designated Swap Rate Page or to the sources from which the administrator, publisher or provider of such rate obtains the swap rate input data used by the administrator, publisher or provider to calculate such rate, or any other source or data it determines to be reasonable (including, if applicable, the Swap Rate that was most recently published by the administrator of such rate) for the purpose of estimating such rate. This method of determining the Swap Rate may result in interest payments on the Swap Rate Notes that are higher than, lower than or that do not otherwise correlate over time with the interest payments that would have been made on the Swap Rate Notes if the Swap Rate had been published in accordance with the administrator, publisher or provider of such Swap Rate's (or any successor administrator's) usual policies and procedures governing the determination and publication of such rate and appeared on the Relevant Screen Page at the specified time. In addition, in determining the Swap Rate in this manner, the Calculation Agent, will have no obligation to consider a Holder's interests as an investor in the Swap Rate Notes and may have economic interests that are adverse to the Holder's interests.

If a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date are determined to have occurred with respect to an applicable Swap Rate, the Constant Maturity Swap Replacement may not be a suitable replacement for such rate.

If the Issuer or its designee (after consulting with the Issuer) determines that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the applicable Swap Rate, then the applicable Constant Maturity Swap Replacement will replace the Swap Rate for all purposes relating to the Swap Rate Notes in respect of such determination on such date and all determinations on all subsequent dates. The Constant Maturity Swap Replacement will be the alternate rate of interest that has been selected by the Issuer or its designee (after consulting with the Issuer) as an industry-accepted replacement for the applicable Swap Rate for floating-rate notes denominated in the same currency as such Swap Rate at such time, plus the applicable Constant Maturity Swap Replacement Adjustment (if any). If the Issuer or its designee (after consulting with the Issuer) determines that there is no such replacement rate as of any applicable date of determination, then the Issuer or its designee (after consulting with the Issuer) will determine a substitute rate or substitute rate value to be used in place of the applicable Swap Rate for that date of determination after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily was published by the administrator or provider, as applicable, of such Swap Rate or authorised distributors prior to the applicable Constant Maturity Swap Transition Event and Constant Maturity Swap Replacement Date or to the sources from which the administrator or provider, as applicable, of such rate obtains the swap rate input data used by the administrator or provider, as applicable to calculate or publish such rate or information, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the applicable Swap Rate that was most recently published by the administrator or provider of such rate) for the purpose of determining such substitute rate or substitute rate value. After determination of the Constant Maturity Swap Replacement, or such substitute rate or substitute rate value, as applicable,

interest on the Swap Rate Notes will no longer be determined by reference to the applicable Swap Rate, but instead will be determined by reference to the applicable Constant Maturity Swap Replacement or such substitute rate or substitute rate value, as applicable.

There is no assurance that any Constant Maturity Swap Replacement will be similar to the initial stated Swap Rate in any respect as it is determined and published by the applicable administrator, publisher or provider of such Swap Rate as of the date of this Offering Circular, or that any Constant Maturity Swap Replacement will produce the economic equivalent of the such Swap Rate as a reference rate for determining the Rate of Interest on the Swap Rate Notes or otherwise be a suitable replacement or successor for such rate. In addition, it is possible that, at the time of the occurrence of a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date, no industry-accepted interest rate as a replacement for the applicable Swap Rate will exist and there may be disagreement regarding the selection of a replacement rate for such Swap Rate. Notwithstanding the foregoing, the determination of the Constant Maturity Swap Replacement will become effective without the consent of the Holders of the Notes of any other party. Use of the Constant Maturity Swap Replacement may result in interest payments on the Swap Rate Notes that are higher than, lower than or that do not otherwise correlate over time with the interest payments that would have been made on such Swap Rate Notes in the absence of a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date.

In addition, although the benchmark transition provisions set forth in Additional Notes Condition 5(e) provide for a Constant Maturity Swap Replacement Adjustment to be added to the Unadjusted Constant Maturity Swap Replacement, such Constant Maturity Swap Replacement Adjustment may be zero or negative, and there is no guarantee that the Constant Maturity Swap Replacement Adjustment (if any) will make the Unadjusted Constant Maturity Swap Replacement equivalent to the initial stated Swap Rate as it is calculated and published by the applicable administrator, publisher or provider of such Swap Rate as of the date of this Offering Circular.

(h) Risks relating to Notes for Which Compounded Daily Is Specified in the Applicable Final Terms as the Manner in Which the Rate of Interest Is To Be Determined

The following discussion of risks relates to Floating Rate Notes and Notes for which Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined (including, for the avoidance of doubt, such Notes for which Index Determination is specified as the Determination Convention).

Where Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Compounded Daily Reference Rate will be based on a compounded average of the Applicable RFR, which is relatively new in the marketplace

Where Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, for each Interest Period, the Rate of Interest on the relevant Series of Notes will be based on a compounded average of the Applicable RFR calculated as described in Additional Note Condition 3(b) and not on the Applicable RFR published on or in respect of a particular date. The Compounded Daily Reference Rate will also be determined in accordance with the terms and provisions set forth in Additional Note Condition 3(b) in accordance with the Determination Convention specified in the applicable Final Terms. For this and other reasons, the Rate of Interest on such a Series of Notes during any Interest Period may not be the same as the rate of interest on other investments bearing interest at a rate based on the Applicable RFR that use an alternative method to determine the applicable Rate of Interest. Further, if the Applicable RFR in respect of a particular date that is used to calculate the applicable Compounded Daily Reference Rate with respect to a Series of Notes is negative, the inclusion of the Applicable RFR in respect of such date in the calculation of the applicable Compounded Daily Reference Rate for the applicable Interest Period will reduce the Rate of Interest and the interest payable on such Series of Notes for such Interest Period.

Limited market precedent exists for securities that use a Compounded Daily Reference Rate as the reference rate, and the method for calculating a rate of interest based upon a Compounded Daily Reference Rate in those precedents varies. With respect to TONA in particular, as of the date of this Offering Circular, very little or no market precedent exists for calculating a rate of interest based upon a Compounded Daily Reference Rate. Accordingly, the specific formula and related Determination Conventions (for example, Payment Delay, Observation Period, Lag, Rate Cut-Off or Index

Determination) used for a Series of Notes with a Compounded Daily Reference Rate that the Issuer may issue may not be widely adopted by other market participants, if at all. Adoption by the market of a different calculation method from the formula and Determination Convention applicable to a particular Series of Notes with a Compounded Daily Reference Rate likely would adversely affect the return on, value of and market for such Series of Notes. In addition, the Issuer may issue different additional Series of Notes for which the Rate of Interest is determined by reference to the same Compounded Daily Reference Rate but for which the Determination Convention and/or other terms and provisions of such Series differ significantly.

In addition, there is currently no uniform market convention with respect to the implementation of risk-free rates (such as the Applicable RFRs) as a reference rate for floating-rate debt securities or other securities. The manner of calculation and related conventions with respect to the determination of Rates of Interest based on Applicable RFRs in floating-rate debt securities markets may differ materially compared with the manner of calculation and related conventions with respect to the determination of Rates of Interest based on the Applicable RFRs in other markets, such as the derivatives and loan markets. Investors should carefully consider how any potential inconsistencies between the manner of calculation and related conventions with respect to the determination of Rates of Interest based on the Applicable RFRs across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposition of the floating rate or other types of Notes for which Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined.

In addition, if the Determination Convention with respect to a Note is specified in the applicable Final Terms to be Index Determination, the Compounded Daily Reference Rate will be determined by reference to one of the following compounded indices (as specified in the applicable Final Terms), each of which began publication only recently: the SOFR Compounded Index (began publication 20 March, 2020), SONIA Compounded Index (began publication 3 August, 2020) or the TONA Compounded Index (began publication 15 March, 2021) (together, the "**RFR Compounded Indices**"). Accordingly, the use of one of the foregoing indices or the specific formula for the applicable Compounded Daily Reference Rate used in a Series of Notes may not be widely adopted by other market participants, if at all. If the market adopts a different calculation method, that would likely adversely affect the market value of the applicable Series of Notes.

Interest payments due on a Series of Notes with a Compounded Daily Reference Rate will be determined only at the end of the relevant Interest Period

Interest payments due on a Series of Notes with a Compounded Daily Reference Rate will be determined only at the end of the relevant Interest Period. Therefore, holders of any Series of Notes with a Compounded Daily Reference Rate will not know the amount of interest payable with respect to each Interest Period until shortly prior to the related Interest Payment Date, and it may be difficult for investors in such Notes to estimate reliably the amounts of interest that will be payable on each such Interest Payment Date at the beginning of or during the relevant Interest Period. In addition, some investors may be unwilling or unable to trade such Notes without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of any Series of Notes with a Compounded Daily Reference Rate.

With respect to a Series of Notes with a Compounded Daily Reference Rate and for which the applicable Determination Convention is Payment Delay or Rate Cut-Off, it will not be possible to calculate accrued interest with respect to any period until after the rate cut-off date or the end of such period, as applicable.

With respect to a Series of Notes with a Compounded Daily Reference Rate and for which the applicable Determination Convention is Payment Delay or Rate Cut-Off, because the Applicable RFR in respect of a given day generally will not be published until the Banking Day immediately following such day, it will not be possible to calculate accrued interest with respect to any Interest Period until after the Rate Cut-Off Date or the end of such Interest Period, which may adversely affect the ability to trade such Notes in the secondary market.

With respect to a Series of Notes with a Compounded Daily Reference Rate using a Determination Convention for which a Rate Cut-Off Date is applicable, pursuant to the formula used to determine the applicable Compounded Daily Reference Rate for such Series of Notes for an applicable Interest

Period, the Applicable RFR used in such calculation for any day from, and including, the applicable Rate Cut-Off Date to, but excluding, the relevant Interest Payment Date (or Maturity or Optional Redemption Date, if applicable) will be the Applicable RFR in respect of the applicable Rate Cut-Off Date

The formula used to determine the Reference Rate for any Series of Notes with a Compounded Daily Reference Rate using the Payment Delay Determination Convention employs a Rate Cut-Off Date for the final Interest Period. In addition, the formula used to determine the Reference Rate for any Series of Notes with a Compounded Daily Reference Rate using the Rate Cut-Off Determination Convention employs, and the formula used to determine the Reference Rate for any Series of Notes with a Compounded Daily Reference Rate using the Lag Determination Convention may employ, if so specified in the applicable Final Terms, a Rate Cut-Off Date for each Interest Period with respect to such Notes.

A holder of any such Series of Notes will not receive the benefit of any increase in the level of the Applicable RFR on any date subsequent to the applicable Rate Cut-Off Date in connection with the determination of the interest payable with respect to (i) the final Interest Period for an applicable Series of Notes with a Compounded Daily Reference Rate using the Payment Delay Determination Convention or (ii) each Interest Period for a Series of Notes with a Compounded Daily Reference Rate using the Rate Cut-Off Determination Convention or, if the applicable Final Terms specifies that a Rate Cut-Off Date is applicable, the Lag Determination Convention. The amount of interest that may be payable with respect to a particular Interest Period for an applicable Series of Notes may be reduced as a result of the application of an applicable Rate Cut-Off Date.

Holders of a Series of Notes with a Compounded Daily Reference Rate using the Payment Delay Determination Convention will receive payments of interest on a delayed basis

The Interest Payment Dates for any Series of Notes with a Compounded Daily Reference Rate using the Payment Delay Determination Convention with respect to determination of the Rate of Interest and interest payments will be two Business Days (or such other number of Business Days as the Issuer may specify in the applicable Final Terms) after the Interest Period Demarcation Date at the end of each Interest Period for such Series. This convention differs from the interest payment convention that has been used historically for floating-rate debt securities with rates of interest based on other benchmark or market rates, such as LIBOR, with respect to which interest typically has been paid on a fixed day that immediately follows the final day of the applicable Interest Period. As a result, holders of a Series of Notes with a Compounded Daily Reference Rate using the Payment Delay Determination Convention will receive payments of interest on a delayed basis as compared to traditional floating-rate or other debt securities without the Payment Delay Determination Convention in which they previously may have invested.

(i) **Risks relating to General Benchmark Transition Provisions Set Forth in Additional Note Condition 4(a)**

*The following discussion of risks relates to Additional Note Condition 4(a) (Benchmark Replacement – General), which is applicable to the following types of Notes (such Notes, "**General Benchmark Replacement Provision Notes**"):*

(i) *Floating Rate Notes and Notes for which the Reference Rate specified in the applicable Final Terms is Compounded Daily SONIA, Compounded Daily TONA or TORF;*

(ii) *Notes for which any of the Reference Rates identified in (i) above or SONIA or TONA is otherwise to be used in the calculation of any amounts due under such Notes; or*

(iii) *Notes for which "Benchmark Replacement – General" provisions are specified to be applicable in the applicable Final Terms.*

The selection of a General Benchmark Replacement could adversely affect the return on, value of or market for affected Notes

If, with respect to a Series of General Benchmark Replacement Provision Notes, the Issuer or its designee, after consulting with the Issuer, determines that a General Benchmark Transition Event and related General Benchmark Replacement Date have occurred with respect to the General Benchmark set forth in the applicable Final Terms for such Series as of the Issue Date of such Series, the applicable

General Benchmark Replacement will replace such General Benchmark for all purposes relating to such Notes. If a particular General Benchmark Replacement or General Benchmark Replacement Adjustment cannot be determined, then the next-available General Benchmark Replacement or General Benchmark Replacement Adjustment will apply. These replacement rates and adjustments may be selected or formulated by (i) the General Relevant Governmental Body, (ii) ISDA or any successor thereto or (iii) in certain circumstances, the Issuer or its designee (which may be the Issuer's affiliate), after consulting with the Issuer.

In addition, the terms of the General Benchmark Replacement Provision Notes expressly authorise the Issuer or its designee (which may be the Issuer's affiliate), after consulting with the Issuer, in connection with a General Benchmark Replacement to make General Benchmark Replacement Conforming Changes with respect to, among other things, the determination of Interest Periods and the timing and frequency of determining rates and making payments of interest and other administrative matters. The application of a General Benchmark Replacement and General Benchmark Replacement Adjustment, and any implementation of General Benchmark Replacement Conforming Changes, could result in adverse consequences to the Rate of Interest or amount of interest payable on the General Benchmark Replacement Provision Notes, which could adversely affect the return on, value of and market for such General Benchmark Replacement Provision Notes, and the price at which investors may be able to sell such General Benchmark Replacement Provision Notes.

Moreover, certain determinations, decisions and elections with respect to the General Benchmark Replacement and any General Benchmark Replacement Conforming Changes, or the occurrence or non-occurrence of a General Benchmark Transition Event, may require the exercise of discretion and the making of subjective judgments by the Issuer or its designee (after consulting with the Issuer). Any determination, decision or election made by the Issuer or its designee pursuant to the general benchmark transition provisions set forth in Additional Note Condition 4(a) will, if made by the Issuer, be made in its sole discretion and, if made by the Issuer's designee, be made after consultation with the Issuer and, in each case, will become effective without consent from the Holders of the affected General Benchmark Replacement Provision Notes or any other party. The Issuer may designate an entity to make any determination, decision or election that the Issuer has the right to make in connection with the general benchmark transition provisions set forth in Additional Note Condition 4(a). Any designee that the Issuer may appoint in connection with these determinations, decisions or elections may be the Issuer's affiliate. When performing such functions, potential conflicts of interest may exist between the Issuer, its designee and investors in the General Benchmark Replacement Provision Notes and making such potentially subjective determinations may adversely affect the return on, value of and market for the General Benchmark Replacement Provision Notes. All determinations by the Issuer or its designee in the Issuer's or the designee's discretion will be conclusive for all purposes and binding on the Issuer and investors in the applicable General Benchmark Replacement Provision Notes absent manifest error.

Further, (i) the composition and characteristics of any General Benchmark Replacement for a Series of General Benchmark Replacement Provision Notes will not be the same as those of the General Benchmark set forth in the applicable Final Terms for such Series as of the Issue Date of such Series, the General Benchmark Replacement will not be the economic equivalent of such General Benchmark for a Series of General Benchmark Replacement Provision Notes, there can be no assurance that such General Benchmark Replacement will perform in the same way as such General Benchmark for a Series of General Benchmark Replacement Provision Notes would have at any time and there is no guarantee that the General Benchmark Replacement will be a comparable substitute for such General Benchmark for a Series of General Benchmark Replacement Provision notes (each of which means that a General Benchmark Transition Event could adversely affect the return on, value of and market for the applicable Series of General Benchmark Replacement Provision Notes), (ii) any failure of the General Benchmark Replacement to gain market acceptance could adversely affect the relevant Series of General Benchmark Replacement Provision Notes, (iii) the General Benchmark Replacement may have a very limited history and the future performance of the General Benchmark Replacement may not be able to be predicted based on historical performance, (iv) the secondary trading market for debt securities linked to the General Benchmark Replacement may be limited and (v) the administrator of the General Benchmark Replacement may make changes that could change the value of the General Benchmark Replacement or discontinue the General Benchmark Replacement and would not have any obligation to consider the interests of investors in the relevant series of General Benchmark Replacement Provision Notes in doing so.

DESCRIPTION OF THE COLLATERAL ARRANGEMENTS RELATING TO SECURED INSTRUMENTS

The following is a description of the security and collateral arrangements in relation to Instruments (such Instruments being hereinafter referred to as Secured Instruments) to which the Secured Instruments Conditions are specified as being applicable in the applicable Final Terms.

Terms used but not otherwise defined in this description shall have the meaning given to them in the relevant Secured Instruments Conditions.

1. General

MLBV may issue Secured Notes. MLBV and MLICo. may issue Secured W&C Instruments. References herein to "**Issuer**" shall be to MLBV and/or MLICo, as applicable.

Each Series of Secured Instruments will be issued by the Issuer and will be secured by a segregated pool of collateral assets (the "**Collateral Assets**") provided by Merrill Lynch International in its capacity as Secured Instruments Collateral Provider (the "**Secured Instruments Collateral Provider**"). The Secured Instruments Collateral Provider has entered into a custody agreement with The Bank of New York Mellon, London Branch (in such capacity, the "**Custodian**"), which provides for the establishment of cash accounts and securities accounts in the name of the Secured Instruments Collateral Provider. For each Series of Secured Instruments, the Secured Instruments Collateral Provider shall instruct The Bank of New York Mellon, London Branch (in such capacity, the "**Collateral Agent**") to open segregated collateral accounts (each, a "**Collateral Account**") in accordance with the provisions of a triparty account control agreement to be entered into between the Secured Instruments Collateral Provider, the Collateral Agent and the Security Agent (as defined below) (each, a "**Triparty Account Control Agreement**"). Each Series of Secured Instruments will benefit from a deed of charge (each a "**Deed of Charge**"), which will be governed by and under the jurisdiction of English law, granted by the Secured Instruments Collateral Provider. Under each Deed of Charge, the Secured Instruments Collateral Provider will grant first ranking security over the Collateral Assets contained in the Collateral Account for the relevant Series of Secured Instruments. Secured Instruments may be issued under the (a) Additional Terms and Conditions for Secured Static/Floating Instruments set out in Annex 13 to the Offering Circular ("**Secured Static/Floating Instruments Conditions**"), pursuant to which the Collateral Assets will be separated into MTM Collateral Assets and Static Collateral Assets and (b) Additional Terms and Conditions for Secured Fully Floating Instruments set out in Annex 14 to the Offering Circular ("**Secured Fully Floating Instruments Conditions**" and, together with the Secured Static/Floating Instruments Conditions, the "**Secured Instruments Conditions**").

2. Appointment of a Security Agent

In relation to each Series of Secured Instruments, The Bank of New York Mellon has been appointed as security agent (the "**Security Agent**") and has undertaken to carry out the duties of Security Agent in respect of such Secured Instruments under a New York law governed security agency agreement entered into between, *inter alia*, the Issuers, the Secured Instruments Collateral Provider and the Security Agent (the "**Security Agency Agreement**").

In relation to each Series of Secured Instruments, the security granted under each Deed of Charge will be granted in favour of the Security Agent or any successor thereto on behalf of itself and the relevant Holders of the Secured Instruments and the other relevant Secured Parties (as defined in the relevant Secured Instruments Conditions) under the Security Agency Agreement.

In performing its role under the Programme, the Security Agent does not act as an advisor to or fiduciary or trustee for the Holders of the Secured Instruments (either as a Series or individually) or any other party and nothing in any of the documents relating to the Programme shall be interpreted to constitute the Security Agent as a trustee or fiduciary of the Issuer, the Secured Instruments Collateral Provider, the Holders of the Secured Instruments or any other party.

3. **Nature of Collateral Assets**

The Collateral Assets held in a Collateral Account and secured pursuant to a Deed of Charge are together referred to as the "**Collateral Pool**".

(a) **Secured Static/Floating Instruments Conditions**

In respect of Secured Instruments to which the Secured Static/Floating Instruments Conditions apply, a Collateral Pool shall be made up of (i) Static Collateral Assets and (ii) MTM Collateral Assets.

The Static Collateral Assets shall comprise of (x) a single debt security (an "**Eligible Debt Security**") or a basket of Eligible Debt Securities (a "**Basket of Eligible Debt Securities**") issued by the relevant entity or entities and having the ISIN(s) specified in the applicable Final Terms and (y) debt securities that satisfy all of the Eligibility Criteria (as defined below) applicable to a certain class or type of Eligible MTM Collateral Assets (as defined below) as specified in the applicable Final Terms. Such Static Collateral Assets are referred to as "**Eligible Static Collateral Assets**". The MTM Collateral Assets may comprise of:

- cash;
- debt securities (including, but not limited to, government bonds, corporate bonds, covered bonds and asset backed securities);
- equity securities, shares, units or interests in a fund; and/or
- any other negotiable financial instruments in book entry-form.

The MTM Collateral Assets must satisfy the eligibility criteria (the "**Eligibility Criteria**") specified in the applicable Final Terms relating to such Series of Secured Instruments. MTM Collateral Assets satisfying the relevant Eligibility Criteria are referred to as "**Eligible MTM Collateral Assets**".

The Eligibility Criteria specified in the applicable Final Terms will set out the criteria which must be met for MTM Collateral Assets to constitute Eligible MTM Collateral Assets and may include limitations on the type of MTM Collateral Assets that may be held, the maturity of the MTM Collateral Assets, the liquidity of the MTM Collateral Assets, requirements regarding the jurisdiction of the issuer of the MTM Collateral Assets or its guarantor or the credit rating of the obligor of the MTM Collateral Assets and/or any other limitations, restrictions and/or requirements concerning the MTM Collateral Assets as may be specified in the applicable Final Terms.

Notwithstanding the Eligibility Criteria specified to be applicable in the applicable Final Terms in respect of a Series of Secured Instruments, the Collateral Agent shall be obliged to refer only to the terms of the relevant Triparty Account Control Agreement in determining whether the MTM Collateral Assets comply with the eligibility criteria set out in the relevant Triparty Account Control Agreement.

(b) **Secured Fully Floating Instruments Conditions**

In respect of Secured Instruments to which the Secured Fully Floating Instruments Conditions apply, a Collateral Pool shall be made up of Collateral Assets comprising of:

- cash;
- debt securities (including, but not limited to, government bonds, corporate bonds, covered bonds and asset backed securities);
- equity securities, shares, units or interests in a fund; and/or
- any other negotiable financial instruments in book entry-form.

The Collateral Assets must satisfy the eligibility criteria (the "**Eligibility Criteria**") specified in the applicable Final Terms relating to such Series of Secured Instruments. Collateral Assets satisfying the relevant Eligibility Criteria are referred to as "**Eligible Collateral Assets**".

The Eligibility Criteria specified in the applicable Final Terms will set out the criteria which must be met for Collateral Assets to constitute Eligible Collateral Assets and may include limitations on the type of Collateral Assets that may be held, the maturity of the Collateral Assets, the liquidity of the Collateral Assets, requirements regarding the jurisdiction of the issuer of the Collateral Assets or its guarantor or the credit rating of the obligor of the Collateral Assets and/or any other limitations, restrictions and/or requirements concerning the Collateral Assets as may be specified in the applicable Final Terms.

Notwithstanding the Eligibility Criteria specified to be applicable in the applicable Final Terms in respect of a Series of Secured Instruments, the Collateral Agent shall be obliged to refer only to the terms of the relevant Triparty Account Control Agreement in determining whether the Collateral Assets comply with the eligibility criteria set out in the relevant Triparty Account Control Agreement.

4. **Segregation between Collateral Pools, Limited Recourse and Non-Petition**

By acquiring and holding Secured Instruments, Holders of the Secured Instruments will be deemed to acknowledge and agree that the obligations of the Issuer to the Holders of the Secured Instruments are limited in recourse to the Collateral Assets contained in the relevant Collateral Pool securing such Series of Secured Instruments. In particular, the Collateral Assets contained in any other Collateral Pool will not be available to pay amounts due in respect of any Secured Instruments which are not secured by that Collateral Pool. The Secured Instruments are not guaranteed by the Guarantor or any other entity and therefore Holders of the Secured Instruments will have no claim against the Guarantor or any other entity in respect of any such amounts owing to them which remain unpaid.

5. **Valuation of Collateral**

In order to ensure that a Series of Secured Instruments is collateralised in accordance with its terms, on each Issue Date and relevant Collateral Business Day (each such test date being a "**Collateral Test Date**"), the actual value of the Collateral Assets will be tested against the required value of the Collateral Assets to be held in the Collateral Accounts to secure the relevant Series of Secured Instruments, as determined in accordance with the provisions of the applicable Secured Instruments Conditions. Merrill Lynch International shall undertake the duties of Secured Instruments valuation agent (the "**Secured Instruments Valuation Agent**") under the terms of a valuation agency agreement (the "**Valuation Agent Agreement**"), pursuant to which it will determine values relating to the collateral and provide them to the Collateral Agent as described below:

(a) **Secured Static/Floating Instruments Conditions**

On the Collateral Business Day immediately preceding the Collateral Test Date, the Secured Instruments Valuation Agent will determine and will send to the Collateral Agent a Collateral Test Notice notifying it of the following: (a) in respect of the Static Collateral Assets, the Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount; and (b) in respect of the MTM Collateral Assets, the MTM Collateral Specified Percentage of the Required MTM Collateral Value. On each Collateral Test Date, the Collateral Agent shall: (a) in respect of the Static Collateral Assets, determine the Pool Aggregate Collateral Nominal Amount and verify if such amount is greater than or equal to the Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount (the "**Static Collateral Test**"); and (b) in respect of the MTM Collateral Assets, determine the Collateral Value of the MTM Collateral Assets in the Collateral Account and verify if such value is greater than or equal to the MTM Collateral Specified Percentage of the Required MTM Collateral Value (the "**MTM Collateral Test**").

(i) ***Static Collateral Assets***

(A) *Pool Aggregate Collateral Nominal Amount*

The Pool Aggregate Collateral Nominal Amount in respect of a Collateral Pool on a relevant date, is an amount, expressed in the currency specified in the applicable Final Terms (the "**Collateral Valuation Currency**"), equal to the aggregate nominal amount of the Static Collateral Assets held in the Collateral Account on the relevant date, as determined by the Collateral Agent.

(B) *Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount*

The Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount is the percentage, as specified in the applicable Final Terms, of, in respect of a Collateral Pool which secures a Series of Secured Instruments and any relevant date, (a) in respect of Secured Instruments that are Secured Notes, the total aggregate principal amount of the Non-Waived Instruments of such Series of Secured Instruments; and (b) in respect of Secured Instruments, that are Secured W&C Instruments, the sum of the Notional Amount of each Non-Waived Instrument of such Series of Secured Instruments, each as determined by the Secured Instruments Valuation Agent.

(ii) ***MTM Collateral Assets***

(A) *Collateral Value*

The Collateral Value is, in respect of a Collateral Pool and a Collateral Test Date, an amount, expressed in the Collateral Valuation Currency, equal to the sum of the Margin Value of each Eligible MTM Collateral Asset in such Collateral Pool on such Collateral Test Date, as determined by the Collateral Agent.

(B) *MTM Collateral Specified Percentage of the Required MTM Collateral Value*

The MTM Collateral Specified Percentage of the Required MTM Collateral Value is the percentage, as specified in the applicable Final Terms, of, in respect of a Collateral Pool and a Collateral Test Date, the greater of zero and the sum of each portion of the Marked-to-Market Derivative Hedge Value at the relevant time that relates to a Non-Waived Instrument of the relevant Series of Secured Instruments which are secured by such Collateral Pool, as determined by the Secured Instruments Valuation Agent.

(b) **Secured Fully Floating Instruments Conditions**

On the Secured Instrument Valuation Date for each Collateral Test Date, the Secured Instruments Valuation Agent will determine the Required Collateral Value and will send the Collateral Agent a Collateral Test Notice notifying it of such Required Collateral Value. On each Collateral Test Date, the Collateral Agent shall calculate the Collateral Value and verify if such value is greater than or equal to the Required Collateral Value (the "**Collateral Test**").

(i) ***Collateral Value***

Except if "Collateral Valuation at Nominal Value" is specified as applicable in the applicable Final Terms, the Collateral Value is an amount equal to the sum of the quotient of (a) the Market Value of each Eligible Collateral Asset, divided by

(b) the Margin Percentage applicable to each Eligible Collateral Asset, as determined by the Collateral Agent.

If "Collateral Valuation at Nominal Value" is specified as applicable in the applicable Final Terms, the Collateral Value shall be deemed to be equal to the total aggregate nominal value of the Collateral Assets constituting Eligible Collateral Assets, as determined by the Collateral Agent.

The Collateral Agent shall calculate the Collateral Value as of the relevant Collateral Valuation Time (as described below) in the Collateral Valuation Currency. Where the currency of denomination of a Collateral Asset is other than the Collateral Valuation Currency, the Secured Instruments Valuation Agent shall convert the value of such Collateral Asset (or other relevant values) at the relevant spot exchange rate or spot rates in accordance with such method and as at such time as the Secured Instruments Valuation Agent may select in its discretion, having regard to the then-current rates of exchange, and shall notify the Collateral Agent of such converted values.

(ii) ***Required Collateral Value***

The Required Collateral Value will be calculated by the Secured Instruments Valuation Agent on the Issue Date and on each Secured Instrument Valuation Date, as follows:

(A) where "MV Collateralisation" is specified as being the Type of Collateralisation applicable in the applicable Final Terms relating to a Series of Secured Instruments, the Required Collateral Value shall be equal to the product of (a) the Collateralisation Percentage, (b) the Secured Instrument Market Value and (c) the Relevant Number of Non-Waived Instruments of such Series;

(B) where "NV Collateralisation" is specified as being the Type of Collateralisation applicable in the applicable Final Terms relating to a Series of Secured Instruments, the Required Collateral Value shall be equal to the product of (a) the Collateralisation Percentage and (b) the total aggregate principal amount or nominal value, as applicable, of the Non-Waived Instruments of such Series;

(C) where "Min (MV, NV) Collateralisation" is specified as being the Type of Collateralisation applicable in the applicable Final Terms relating to a Series of Secured Instruments, the Required Collateral Value shall be equal to the lower of (a) the product of (1) the Collateralisation Percentage, (2) the Secured Instrument Market Value and (3) the Relevant Number of Non-Waived Instruments and (b) the product of (1) the Collateralisation Percentage and (2) the total aggregate principal amount or nominal value, as applicable, of the Non-Waived Instruments of such Series; or

(D) where "Max (MV, NV) Collateralisation" is specified as being the Type of Collateralisation applicable in the applicable Final Terms relating to a Series of Secured Instruments, the Required Collateral Value shall be equal to the greater of (a) the product of (1) the Collateralisation Percentage, (2) the Secured Instrument Market Value and (3) the Relevant Number of Non-Waived Instruments and (b) the product of (1) the Collateralisation Percentage and (2) the total aggregate principal amount or nominal value, as applicable, of the Non-Waived Instruments of such Series.

"**Relevant Number**" means:

(a) in respect of Secured Instruments that are Secured Notes, the aggregate principal amount outstanding of Non-Waived Instruments of a Series of

Secured Instruments divided by the specified denomination of each Non-Waived Instrument of such Series of Secured Instruments; and

(b) in respect of Secured Instruments that are Secured W&C Instruments, the number of Non-Waived Instruments of such Series of Secured Instruments.

The Collateralisation Percentage relating to a Series of Secured Instruments will be specified in the applicable Final Terms and may specify a different Collateralisation Percentage in respect of different Collateral Test Dates.

6. **Adjustments to Collateral Pool and Collateral Agent Notice**

(a) **Secured Static/Floating Instruments Conditions**

If on the relevant Collateral Test Date the Collateral Agent determines that the Collateral Test is not satisfied, the Collateral Agent will promptly send to the Secured Instruments Collateral Provider a Collateral Agent Notice. On the date such Collateral Agent Notice is given, the Secured Instruments Collateral Provider will instruct the Collateral Agent to transfer sufficient additional Eligible MTM Collateral Assets or Eligible Static Collateral Assets (as applicable) into the relevant Collateral Account to satisfy the Collateral Test.

The Secured Instruments Collateral Provider will ensure that sufficient Eligible MTM Collateral Assets and Eligible Static Collateral Assets are Delivered into the relevant Collateral Account on or before each Collateral Test Date to satisfy the Collateral Test in respect of such Collateral Test Date for the relevant Series of Secured Instruments.

(b) **Secured Fully Floating Instruments Conditions**

If on the relevant Collateral Test Date the Collateral Agent determines that the Collateral Test is not satisfied, the Collateral Agent will promptly send the Secured Instruments Collateral Provider a Collateral Agent Notice. On the date such Collateral Agent Notice is given, the Secured Instruments Collateral Provider will instruct the Collateral Agent to transfer sufficient additional Eligible Collateral Assets into the relevant Collateral Account to satisfy the Collateral Test.

The Secured Instruments Collateral Provider will ensure that sufficient Eligible Collateral Assets are Delivered into the relevant Collateral Account on or before each Collateral Test Date to satisfy the Collateral Test in respect of such Collateral Test Date for the relevant Series of Secured Instruments.

7. **Waived Instruments**

In respect of all Secured Instruments held by the Issuer or its Affiliates, including but not limited to, in its capacity as market maker, the Issuer or its Affiliates will be deemed to have waived their rights (a) to receive the proceeds of realisation of the Collateral Assets securing such Series of Secured Instruments (and where "Physical Delivery of Static Collateral Assets" is specified as applicable in the applicable Final Terms, delivery of the Static Collateral Assets) following the enforcement of the relevant Deed of Charge and Charged Documents or the redemption or cancellation, as applicable, of such Series of Secured Instruments following the occurrence of a Collateral Asset Default and (b) to give an Acceleration Notice on the occurrence of a Secured Instrument Event of Default ("**Waived Instruments**").

As a consequence, when making various calculations under the Secured Instruments Conditions, including the Required MTM Collateral Value and the Required Static Collateral Nominal Amount (under the Secured Static/Floating Instruments Conditions) and the Required Collateral Value (under the Secured Fully Floating Instruments Conditions), the Secured Instruments Valuation Agent shall only take into account the value of the Secured Instruments that are not subject to such waiver (any such Secured Instruments being "**Non-Waived Instruments**").

8. **Collateral Substitution**

(a) **Secured Static/Floating Instruments Conditions**

The Secured Instruments Collateral Provider may, subject to the terms of the relevant Triparty Account Control Agreement, withdraw and/or replace MTM Collateral Assets from the relevant Collateral Account provided that following such adjustment the Collateral Test continues to be satisfied. The Secured Instruments Collateral Provider will send or cause to be sent a notice to the Collateral Agent specifying the adjustments to be made to the Collateral Pool (including *inter alia* the type and quantity of any MTM Collateral Assets to be deposited and/or removed).

The Issuer and the Secured Instruments Collateral Provider shall not be entitled to withdraw and/or replace Static Collateral Assets from the relevant Collateral Account, on any day provided that the Secured Instruments Collateral Provider may on any Collateral Test Date withdraw from the relevant Collateral Account an aggregate nominal amount of Static Collateral Assets equal to the sum of the Notional Amount of each Non-Waived Instrument that is converted into a Waived Instrument if, following such withdrawal, (a) the Collateral Test continues to be satisfied, and (b) if the Eligible Static Collateral Assets specified in the applicable Final Terms are a Basket of Eligible Debt Securities, the aggregate nominal amount of each Eligible Debt Security is equal to the percentage weighting for each such Eligible Debt Security within the Basket of Eligible Debt Securities as specified in the applicable Final Terms.

(b) **Secured Fully Floating Instruments Conditions**

The Secured Instruments Collateral Provider may, subject to the terms of the relevant Triparty Account Control Agreement, withdraw and/or replace Collateral Assets from the relevant Collateral Account provided that following such adjustment the Collateral Test continues to be satisfied. The Secured Instruments Collateral Provider will send or cause to be sent a notice to the Collateral Agent specifying the adjustments to be made to the Collateral Pool (including *inter alia* the type and quantity of any Collateral Assets to be deposited and/or removed).

9. **Early redemption or settlement following the occurrence of a Collateral Disruption Event**

(a) **Secured Static/Floating Instruments Conditions**

If the Secured Instruments Valuation Agent determines that a Collateral Disruption Event has occurred or is continuing, the Issuer may in its sole discretion redeem or cancel all of the relevant Secured Instruments at their the Early Redemption/Settlement Amount (CDE) or, if "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms, deliver Static Collateral Assets that make up the Entitlement (CDE) in accordance with the Secured Instruments Conditions. The Early Redemption/Settlement Amount (CDE) will be calculated on the basis of (i) if "Physical Delivery of Static Collateral Assets" is specified not to be applicable in the applicable Final Terms, the market value of the Derivative Hedge entered into by the Issuer and/or its Affiliates to hedge the Issuer's payment obligations plus the proceeds of the liquidation and realisation of the Static Collateral, less any of the hedge unwind costs of the Issuer and/or its Affiliates and costs of realising the Collateral Assets or (ii) if the applicable Final Terms specify "Physical Delivery of Static Collateral Assets" to be applicable, the market value of the Derivative Hedge entered into by the Issuer and/or its Affiliates to hedge the Issuer's payment obligations less any hedge unwind costs of the Issuer and/or its Affiliates and costs of realising the Collateral Assets.

Collateral Disruption Events are defined in the Secured Instruments Conditions and include, but are not limited to: (i) a Collateral Asset Default occurs or is continuing, as determined by the Secured Instruments Valuation Agent; or (ii) the Secured Instruments Collateral Provider being (A) unable, after using commercially reasonable efforts, to acquire the necessary Collateral Assets or (B) subject to materially increased costs in acquiring Collateral Assets; or (iii) the Issuer being unable, after using commercially reasonable efforts, to find a suitable substitute or replacement Collateral Arrangement

Party (as defined below) following the termination of the relevant agreements or resignation or removal, for any reason, of any Collateral Arrangement Party.

(b) **Secured Fully Floating Instruments Conditions**

If the Secured Instruments Valuation Agent determines that a Collateral Disruption Event has occurred or is continuing, the Issuer may in its sole discretion redeem or cancel all of the relevant Secured Instruments at the Early Redemption/Settlement Amount following the occurrence of a Collateral Disruption Event. The Early Redemption/Settlement Amount will be calculated on the basis of the fair market value of such Secured Instrument less any hedge unwind costs of the Issuer and/or its Affiliates.

Collateral Disruption Events are defined in the Secured Instruments Conditions and include, but are not limited to: (i) the Secured Instruments Collateral Provider being (A) unable, after using commercially reasonable efforts, to acquire the necessary Collateral Assets or (B) subject to materially increased costs in acquiring Collateral Assets; or (ii) the Issuer being unable, after using commercially reasonable efforts, to find a suitable substitute or replacement Collateral Arrangement Party (as defined below) following the termination of the relevant agreements or resignation or removal, for any reason, of any Collateral Arrangement Party.

For the avoidance of doubt, the occurrence of a Collateral Disruption Event will not constitute a Secured Instrument Event of Default.

10. **Early redemption or settlement following the occurrence of a Collateral Trigger Event under the Secured Static/Floating Instruments Conditions**

If a "Collateral Trigger Event" is specified to be applicable in the applicable Final Terms and the Secured Instruments Valuation Agent determines that a Collateral Trigger Event has occurred or is continuing, the Issuer shall redeem or cancel all of the relevant Secured Instruments at their Early Redemption/Settlement Amount (CTE) and, if "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms, deliver Static Collateral Assets that make up the Entitlement (CTE) (including payment of any Fractional Cash Amount (CTE)) in accordance with the Secured Instruments Conditions. The Early Redemption/Settlement Amount (CTE) will be calculated on the basis of (i) if "Physical Delivery of Static Collateral Assets" is specified not to be applicable in the applicable Final Terms, the intra-day market value of the Derivative Hedge entered into by the Issuer and/or its Affiliates to hedge the Issuer's payment obligations plus the proceeds of the liquidation and realisation of the Static Collateral, less any of the hedge unwind costs of the Issuer and/or its Affiliates and costs of realising the Collateral Assets or (ii) if the applicable Final Terms specify "Physical Delivery of Static Collateral Assets" to be applicable, the intra-day market value of the Derivative Hedge entered into by the Issuer and/or its Affiliates to hedge the Issuer's payment obligations less any hedge unwind costs of the Issuer and/or its Affiliates and costs of realising the Collateral Assets.

A Collateral Trigger Event shall have occurred if the Secured Instruments Valuation Agent determines that, at any time on a day during the relevant observation period, the value of a Secured Instrument of the relevant series is (a) if "less than the Collateral Trigger Level" is specified in the applicable Final Terms, less than the Collateral Trigger Level or (b) if "less than or equal to the Collateral Trigger Level" is specified in the applicable Final Terms, less than or equal to the Collateral Trigger Level. The Collateral Trigger Level will be specified in the applicable Final Terms. The value of the relevant Secured Instruments will be determined by the Secured Instruments Valuation Agent as an amount equal to the sum of (x) the intra-day market value of the portion of the Derivative Hedge that relates to such Secured Instruments and (y) the intra-day market value of the relevant Static Collateral Assets that relate to such Secured Instruments.

The intra-day market value of the Derivative Hedge and of the Static Collateral Assets shall be determined by the Secured Instruments Valuation Agent by reference to such factors as it considers to be appropriate in its discretion, including without limitation:

(a) in respect of the Derivative Hedge, the present value of the future payment obligations of the Issuer under the relevant Secured Instruments minus the present value of the future cash flows of the Static Collateral Assets that secure such Secured Instruments, and taking into account:

(i) spot and forward market prices or values for the underlying asset(s) of the Derivative Hedge and other relevant economic variables (such as interest rates and exchange rates);

(ii) the correlation between the market prices or value of the underlying asset(s) of the Derivative Hedge and other relevant economic variables;

(iii) historic and implied volatility of the market prices or value of the underlying asset(s) of the Derivative Hedge;

(iv) the remaining time until expiry of the Derivative Hedge;

(v) internal pricing models; and

(vi) prices at which other market participants might bid for similar Derivative Hedge; and

(vii) the valuation using relevant economic variables of the cash flows and/or coupon payments of the Static Collateral Assets that secure such Secured Instruments.

(b) in respect of the relevant Static Collateral Assets:

(i) bid prices (if available) for a nominal amount of such Static Collateral Assets equal to the minimum nominal amount that may be quoted for bids on the screen page specified in the applicable Final Terms; and

(ii) internal pricing models.

11. **Early redemption or settlement following the occurrence of a MTM Trigger Event under the Secured Fully Floating Instruments Conditions**

If a "MTM Trigger Event" is specified to be applicable in the applicable Final Terms and the Secured Instruments Valuation Agent determines that a MTM Trigger Event has occurred or is continuing, the Issuer shall redeem or cancel all of the relevant Secured Instruments at their Early Redemption/Settlement Amount in accordance with the Secured Instruments Conditions.

A MTM Trigger Event shall have occurred if the Secured Instruments Valuation Agent determines that, at any time between 5.00 a.m. Sydney time to 5.00 p.m. New York City time (or such other times specified in the applicable Final Terms) on a business day during the relevant observation period, the market value of a Secured Instrument of the relevant series is (a) if "less than the MTM Trigger Level" is specified in the applicable Final Terms, less than the MTM Trigger Level or (b) if "less than or equal to the MTM Trigger Level" is specified in the applicable Final Terms, less than or equal to the MTM Trigger Level. The MTM Trigger Level will be specified in the applicable Final Terms. The market value of a Secured Instrument shall be determined by the Secured Instruments Valuation Agent by reference to such factors as it considers to be appropriate in its discretion, including without limitation:

(a) market prices or values for any underlying asset(s) to which the Secured Instruments are linked and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;

(b) the remaining term of the Secured Instruments until their scheduled exercise and final settlement;

(c) internal pricing models; and

(d) prices at which other market participants might bid for securities similar to the Secured Instruments.

12. **Default in provision of Collateral Assets**

A "**Required Collateral Default**" shall occur if, following receipt by the Secured Instruments Collateral Provider of a Collateral Agent Notice which indicates that the Collateral Test is not satisfied (or will not be satisfied after taking into account any adjustments specified in a Collateral Test Notice), the Secured Instruments Collateral Provider fails to instruct the Collateral Agent to transfer sufficient Collateral Assets into the Collateral Account and such failure results in the Collateral Test not being satisfied for one Collateral Business Day following delivery of such Collateral Agent Notice (when determining whether the Collateral Test has been so satisfied, only Collateral Assets which have actually been transferred to the relevant Collateral Account shall be taken into account).

Following the occurrence of a Required Collateral Default, the Collateral Agent will send a notice (a "**Required Collateral Default Notice**") to the Secured Instruments Collateral Provider and the Security Agent, specifying that a Required Collateral Default has occurred. The Secured Instruments Collateral Provider shall notify the Issuer of the Required Collateral Default Notice. The Security Agent shall as soon as reasonably practicable after receiving a Required Collateral Default Notice give notice to the relevant Instrument Agent and the relevant Instrument Agent will give notice as soon as reasonably practicable to all relevant Holders of the receipt of a Required Collateral Default Notice.

13. **Secured Instruments Events of Default**

The Secured Instruments are subject to various events of default (each a "**Secured Instrument Event of Default**"), including, but not limited to, (i) the Issuer's failure to pay Additional Tax Amounts and Cash Settlement Amounts or to deliver any Entitlement, (ii) insolvency proceedings against the Issuer, (iii) the occurrence of a Required Collateral Default, or (iv) a failure by the Issuer and/or the Secured Instruments Collateral Provider to comply with or perform its obligations under the Security Agency Agreement or the relevant Deed of Charge.

If a Secured Instrument Event of Default occurs and is continuing with respect to any Series of Secured Instruments, then any Holder may, at its option, send an Acceleration Notice through the relevant Clearing System to the relevant Instrument Agent. If the Holder(s) of at least 33 per cent. (a) in respect of Secured Instruments that are Secured Notes, in aggregate principal amount of such Non-Waived Instruments or (b) in respect of Secured Instruments that are Secured W&C Instruments, in aggregate Notional Amount or by number (as applicable), of such Non-Waived Instruments outstanding send Acceleration Notice(s) through the relevant Clearing System to the relevant Instrument Agent, and if any such default is not waived or cured in accordance with the Secured Instruments Conditions an "Acceleration Event" shall occur in respect of such Series of Secured Instruments.

The relevant Instrument Agent will as soon as reasonably practicable after the occurrence of an Acceleration Event send an instruction (an "**Acceleration Instruction**") to the Security Agent confirming that the Holders of at least 33 per cent. (a) in respect of Secured Instruments that are Secured Notes, in aggregate principal amount of the Non-Waived Instruments or (b) in respect of Secured Instruments that are Secured W&C Instruments, in aggregate Notional Amount or by number (as applicable) of the Non-Waived Instruments outstanding have delivered Acceleration Notices and thereby instructing the Security Agent to, *inter alia*, enforce the security constituted by the relevant Deed of Charge and distribute the proceeds (and, if applicable, physically settle the Entitlement), in each case, in accordance with its terms, the Secured Instruments Conditions and the Security Agency Agreement.

If the Security Agent receives an Acceleration Instruction, the Security Agent shall (acting in accordance with such Acceleration Instruction), *inter alia*, as soon as reasonably practicable, (i) deliver a Collateral Enforcement Notice to each of the Issuer, the Secured Instruments Collateral Provider and the relevant Instrument Agent, (ii) give notice to the relevant Instrument Agent of, *inter alia*, the occurrence of an Acceleration Event, upon which the relevant Instrument Agent

will give notice of the same to all relevant Holders, and (iii) appoint a Disposal Agent, if a Disposal Agent has not already been appointed.

14. **Collateral Enforcement**

(a) **Secured Static/Floating Instruments Conditions**

Following delivery of a Collateral Enforcement Notice, the Security Agent (acting in accordance with an Acceleration Instruction) shall enforce the security constituted by the relevant Deed of Charge relating to the relevant Collateral Pool in accordance with the terms thereof and the Secured Instruments Conditions and the terms of the Security Agency Agreement and will give instructions to the Disposal Agent to effect a liquidation and realisation of the Collateral Assets in the Collateral Pool which secures such Series of Secured Instruments: (i) by liquidating or realising all Collateral Assets in the Collateral Pool; or (ii) where "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms: (A) firstly, by liquidating or realising the MTM Collateral Assets in the Collateral Pool in accordance with the Secured Instruments Conditions; (B) secondly, to the extent the proceeds available following the liquidation and realisation of the MTM Collateral Assets in the Collateral Pool are insufficient to make payment of any amounts payable to the Secured Parties ranking prior to the Holders of the Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms, by liquidating or realising an amount of Static Collateral Assets sufficient to make the remainder of such payments in accordance with Secured Instruments; and (C) thirdly, by liquidating or realising an amount of Static Collateral Assets to cover any outstanding hedge unwind costs; provided that, in the case of (B) and (C), if the Static Collateral Assets are a Basket of Eligible Debt Securities, the amount of each Eligible Debt Security liquidated or realised should be proportionate to the percentage weighting for each such Eligible Debt Security within the Basket of Eligible Debt Securities as specified in the applicable Final Terms.

The Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) will (i) liquidate or realise the MTM Collateral Assets and, if applicable, the Static Collateral Assets and distribute the relevant Collateral Enforcement Proceeds Share to the relevant Holders or (ii) where "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms, arrange for delivery of the Entitlement to the relevant Holders, in each case in accordance with the Order of Priority specified in the applicable Final Terms and the Secured Static/Floating Instruments Conditions.

(b) **Secured Fully Floating Instruments Conditions**

Following receipt of a Collateral Enforcement Notice, the Security Agent (acting in accordance with an Acceleration Instruction) shall enforce the security constituted by the relevant Deed of Charge relating to the relevant Collateral Pool in accordance with the terms thereof and the Secured Instruments Conditions and the terms of the Security Agency Agreement and will give instructions to the Disposal Agent to (i) liquidate or realise the Collateral Assets in the Collateral Pool and subsequently distribute the relevant Collateral Enforcement Proceeds Share to the relevant Holders or (ii) where "Physical Delivery of Collateral Assets" is specified to be applicable in the applicable Final Terms, arrange for delivery of the relevant Entitlement to the relevant Holders, in each case in accordance with the Order of Priority specified in the applicable Final Terms and the Secured Fully Floating Instruments Conditions.

15. **Enforcement and realisation by Holders**

No Holder shall be entitled to enforce a Deed of Charge or to proceed directly against the Secured Instruments Collateral Provider to enforce the other provisions of a Charged Document unless the Security Agent, having become bound to so enforce or proceed, fails so to do within a reasonable time and such failure is continuing or the Security Agent is prevented from enforcing a Deed of Charge by any court order. If a Holder becomes so entitled, then such

Holder shall not be entitled to enforce the relevant Deed of Charge or Charged Document in the United Kingdom.

If the Security Agent becomes bound to enforce a Deed of Charge or a Charged Document and fails to do so within a reasonable time and such failure is continuing or the Security Agent is prevented from enforcing a Deed of Charge by any court order, then, without prejudice to the paragraph above, Holder(s) of at least 33 per cent. (a) in respect of Secured Instruments that are Secured Notes, in aggregate principal amount of such Non-Waived Instruments or (b) in respect of Secured Instruments that are Secured W&C Instruments, in aggregate Notional Amount or by number (as applicable), of such Non-Waived Instruments outstanding may remove the Security Agent and appoint a replacement Security Agent in accordance with the Secured Instruments Conditions and the terms of the Security Agency Agreement.

Neither the Issuer nor any Holder shall be entitled to enforce a Triparty Account Control Agreement or the Custodian Agreement or to proceed directly against the Collateral Agent or the Custodian to enforce the terms of the relevant Triparty Account Control Agreement or the Custodian Agreement (as applicable). Neither the Collateral Agent nor the Custodian shall have any liability to the Issuer or any Holder as to the consequence of any actions taken by the Collateral Agent or Custodian (as applicable).

16. **Physical Delivery of Collateral Assets Disruption Event**

Where "Physical Delivery of Collateral Assets" is specified as applicable in the applicable Final Terms, in certain circumstances, if, in the opinion of the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), delivery of all or some of the Static Collateral Assets (in respect of Secured Instruments to which the Secured Static/Floating Instruments Conditions apply) or the Collateral Assets (in respect of Secured Instruments to which the Secured Fully Floating Instruments Conditions apply) forming part of the Entitlement is not possible for a specified period of time, then the Security Agent, or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), in lieu of physical settlement, may sell or realise such undeliverable Static Collateral Assets or Collateral Assets, as applicable, and deliver the proceeds thereof to Holders.

17. **Replacement of Collateral Arrangement Parties**

Each of the Collateral Transaction Documents contains, or will contain, provisions for the termination of such agreement and, as the case may be, the removal or replacement of the role of the relevant party appointed thereunder (each a "**Collateral Arrangement Party**"). Any such termination, removal and/or replacement will be effected in accordance with the provisions of such agreements and (other than in respect of the Custodian or the Collateral Agent) the Secured Instruments Conditions and may be effected without the consent of Holders. No such termination or removal shall be effective until a replacement entity has been appointed. The Secured Instruments Valuation Agent shall be required to give notice to Holders of any such termination, removal and/or replacement.

A replacement Collateral Arrangement Party may only be appointed when the following conditions are fulfilled: the replacement Collateral Arrangement Party (other than the replacement Custodian or Collateral Agent): (i) is an institution incorporated and in good standing in the United States of America or one of the States thereof or in a state which is, as at the date of the relevant Collateral Transaction Document, a member state of the European Union or the United Kingdom; (ii) has the requisite resources and legal capacity to perform the duties imposed upon the relevant existing Collateral Arrangement Party under the relevant Collateral Transaction Document and is a recognised provider of the services provided by such Collateral Arrangement Party; (iii) is legally qualified and has the capacity to act as successor to the relevant Collateral Arrangement Party on the terms of the relevant Collateral Transaction Document; and (iv) whose performance of its duties under the relevant Collateral Transaction Document will not cause the Issuer and/or Secured Instruments Collateral Provider to become subject to tax in any jurisdiction where such successor is incorporated, established, doing business, has a permanent establishment or is otherwise considered tax resident.

The Security Agency Agreement contains, or will contain, provisions for the termination of such agreement and the removal or replacement of the Security Agent appointed thereunder. Any such termination, removal and/or replacement will be effected in accordance with the provisions of the Security Agency Agreement and may be effected without the consent of Holders. No such termination or removal shall be effective until a replacement Security Agent has been appointed.

DESCRIPTION OF THE PREFERENCE SHARE ISSUER AND THE PREFERENCE SHARES

The following is an overview of the Preference Share Issuer and the Preference Shares.

1. The Preference Share Issuer

Preface Holdings Limited (the "**Preference Share Issuer**") is a Jersey private company and was incorporated under the Companies (Jersey) Law 1991 on 5 March 2020 (with registration number 131121). Preface Holdings Limited is governed by the laws of Jersey and has its registered office at 15 Esplanade, St Helier, Jersey JE1 1RB.

The sole business activity of the Preference Share Issuer is to (i) issue redeemable preference shares (the "**Preference Shares**") under its preference share programme (the "**Preference Shares Programme**"); and (ii) enter into hedging arrangements to hedge the exposure under the Preference Shares. Accordingly, the Preference Share Issuer does not have any trading assets and generates limited net income. The Preference Share Issuer does not have a credit rating.

As at the date of this Offering Circular, the Preference Share Issuer has two (2) ordinary shares in issue. The Preference Share Issuer may issue further shares with such rights or restrictions as may be determined by special resolution and the unissued shares for the time being in the capital of the Preference Share Issuer are at the disposal of the directors on such terms as they think proper. The ordinary shares of the Preference Share Issuer are held by Hawksford Nominees Jersey Limited (one (1) ordinary share) and Hawksford Fiduciaries Jersey Limited (one (1) ordinary share), each acting as a nominee of Hawksford Trustees Jersey Limited who serves as the trustee of The Preface Charitable Trust.

The Preference Shares may be offered and issued to investors pursuant to the terms agreed with the Preference Share Issuer. Merrill Lynch International acts as structuring agent in order to facilitate the offer and issue by the Preference Share Issuer of Preference Shares as well as calculation agent in respect of the Preference Shares. Other service providers act as registrar and corporate administrator to the Preference Share Issuer or in respect of the Preference Shares, as applicable.

A copy of the Preference Share Issuer's constitutional documents (the "**Articles of Association**") and the terms and conditions of the Preference Shares (as contained in the principal memorandum of the Preference Share Issuer relating to the issuance of Preference Shares (the "**Principal Memorandum**") and the relevant Supplemental Memorandum (as defined below) in respect of the Preference Shares) are available to investors in the Preference Share Linked Notes on written request (free of charge) from the registered office of the Preference Share Issuer and from the distributor of the relevant Preference Share Linked Notes.

2. Documents for Inspection

Copies of the Articles of Association will be available for inspection at the registered office of the Preference Share Issuer, in each case during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for 14 days following the date of each Supplemental Memorandum (as defined below).

The Private Placement Memorandum can be obtained by any interested investors from Merrill Lynch International.

3. Documents on Display

Copies of the Principal Memorandum, any applicable Supplemental Memorandum relating to a series of Preference Shares, the Articles of Association and, after publication thereof, the annual accounts of the Preference Share Issuer may be obtained from the corporate administrator at its registered office (15 Esplanade, St Helier, Jersey JE1 1RB) on request.

4. The Preference Shares

Preference Shares may be issued from time to time by the Preference Share Issuer in a Series under the Preference Shares Programme. Each Series of Preference Shares may have different features which are set out in the Principal Memorandum and a Series specific supplemental memorandum (the "**Supplemental Memorandum**", and together with the Principal Memorandum, the "**Private Placement Memorandum**").

The Preference Shares issued under the Preference Shares Programme may pay an automatic early redemption amount, an early redemption amount, an optional redemption amount and, unless previously redeemed or cancelled, will pay a final redemption amount at maturity which may be linked to the performance of one or more Preference Share Underlyings which may include, but will not be limited to shares, indices, mutual funds or exchange traded funds, or baskets of shares or indices, mutual funds or exchange traded funds. The composition of the relevant Preference Share Underlyings may be designed to change over time as a result of performance or other factors.

The Supplemental Memorandum applicable to a particular Series of Preference Shares will specify the redemption amount(s) and when any such amount is payable and the terms based on which it is calculated.

The Preference Shares will not be exchangeable through CREST (or any other clearing system) and will not be listed or admitted to trading on any stock exchange. Therefore, no information relating to the past or future performance of the Preference Shares or their volatility will be available.

The Private Placement Memorandum also provides that the Preference Share Issuer may redeem the Preference Shares early if:

(a) the performance of the Preference Share Issuer's obligations under the relevant Series of Preference Shares or any arrangements made to hedge the Preference Share Issuer's obligations under the Preference Shares or in respect of any hedging arrangements in relation to any Preference Share Linked Notes, has or will become, in whole or in part, unlawful, illegal or otherwise contrary to any present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative, judicial or regulatory authority or powers, or any change in the interpretation thereof that is applicable to the Preference Share Issuer or any of the Preference Share Issuer's Affiliates; or

(b) an event has occurred and/or is existing that constitutes an early redemption event or is an event triggering an early redemption of the relevant Series of Preference Shares.

5. The Preference Share Underlyings

The performance of the Preference Shares depends on the performance of the Preference Share Underlying or Underlyings to which the relevant Preference Shares are linked.

Investors should review the relevant Private Placement Memorandum and other constitutional documents and consult with their own business, accounting, regulatory, legal, tax and other professional advisers with respect to any consequences or considerations (whether relating to tax or otherwise) which may be relevant to or which may result from investment in the Preference Share Linked Notes.

FORM OF THE INSTRUMENTS

Words and expressions defined in the "Terms and Conditions of the Notes", the "Terms and Conditions of the Cash Settled Exchangeable Notes" or "Terms and Conditions of the W&C Instruments", as applicable, shall have the same meanings in this Form of the Instruments.

Form of the Notes

Registered Notes

If the applicable Final Terms specify that Notes issued by MLBV are eligible for sale exclusively in the United States or to, or for the account or benefit of, U.S. persons (as defined below) pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), the Notes sold (a) in the United States to qualified institutional buyers within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**QIBs**") who are also each a qualified purchaser (each a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**") and the rules thereunder or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs will be represented by a Rule 144A Global Note (the "**Rule 144A Global Notes**") which will be in registered form and either (i) deposited with the U.S. Paying Agent as a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"); or (ii) deposited with, and registered in the name of a nominee of, the Common Depositary.

Unless otherwise indicated, as used in this Offering Circular, "**U.S. person**" has the meaning ascribed to it by Regulation S under the Securities Act. Notes which may be sold as described above to U.S. persons who are QIBs and also QPs in reliance on Rule 144A are referred to in this Offering Circular as "**Rule 144A Notes**", which term shall also include, where the context requires, Rule 144A Notes sold as described in the succeeding paragraph that are represented by a Regulation S/Rule 144A Global Note (as defined below).

If specified in the applicable Final Terms, Notes issued by MLBV may be sold (a) pursuant to Rule 144A (i) to persons in the United States who are QIBs and QPs or (ii) to or for the account or benefit of U.S. persons who are QIBs and also QPs and (b) in either case, concurrently outside the United States to non-U.S. persons pursuant to Regulation S. Such Notes will be represented by a Regulation S/Rule 144A Global Note (the "**Regulation S/Rule 144A Global Note**") which will be in registered form and deposited with, and registered in the name of a nominee for, the Common Depositary for Euroclear and Clearstream, Luxembourg.

If Notes are to be issued into and transferred through accounts at Euroclear and/or Clearstream, Luxembourg, and are not eligible for sale in the United States or to, or for the account or benefit of U.S. persons, such Tranche of Notes will be issued in registered form and will be represented by a global registered note (a "**Euroclear/CBL Global Registered Note**", together with the Rule 144A Global Notes and the Regulation S/Rule 144A Global Notes, the "**Global Notes**" and each, a "**Global Note**") or Notes in definitive form ("**Definitive Registered Notes**") represented by individual note certificates ("**Individual Note Certificates**"), as the case may be, together with the attached or incorporated Terms and Conditions of the Notes and the applicable Final Terms. Each Euroclear/CBL Global Registered Note will be deposited on or around the relevant issue date with either (a) the Common Depositary for Euroclear, Clearstream, Luxembourg or any other relevant clearing system, in the case of a Euroclear/CBL Global Registered Note not intended to be issued under the NSS, and registered in the name of a nominee of the Common Depositary, or (b) the Common Safekeeper for Euroclear, Clearstream, Luxembourg or any other relevant clearing system, in the case of a Euroclear/CBL Global Registered Note intended to be issued under the NSS, and registered in the name of a nominee of the Common Safekeeper.

The NSS form allows Notes in registered form to be issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the "**Eurosystem**") and intra-day credit operations by the Eurosystem either upon their issue or at any other time prior to the applicable maturity date. However, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. The European Central Bank (the "**ECB**") has published on its webpage information on its collateral eligibility criteria. Among other criteria, the information published by the ECB indicates that, effective as of 8 February 2018, unsecured debt instruments issued by credit

institutions, or their closely-linked entities, such as BAC and BofA Finance, that are not established in the member states of the European Union are not Eurosystem eligible. Therefore, as of the date of this Offering Circular, the Notes issued by BAC and by BofA Finance will not be recognised as eligible collateral for Eurosystem monetary and intraday credit operations.

Beneficial interests in a Global Note will be exchangeable for Definitive Registered Notes represented by Individual Note Certificates if: (1) an Event of Default (as defined herein) occurs and is continuing, (2) either (a) in the case of Notes represented by Rule 144A Global Notes held through DTC, either DTC has notified MLBV that it is unwilling or unable to continue as a depositary for such Rule 144A Global Notes held through DTC and no alternative clearing system is available, or DTC has ceased to be a "clearing agency" registered under the Exchange Act, and no alternative clearing system is available, or (b) in the case of Euroclear/CBL Global Registered Notes and other Notes registered in the name of a nominee of the Common Depositary, the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available, or (3) the relevant Issuer, after notice to the Principal Paying Agent or U.S. Paying Agent, as applicable, determines to issue the Notes in definitive form. The relevant Issuer will give notice of any such event specified above to the Holders in accordance with Note Condition 14 (*Notices*).

Whenever the Global Note is to be exchanged for Individual Note Certificates, the relevant Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Note within five business days of the delivery by or on behalf of the registered holder of the Global Note, DTC or such other relevant clearing systems, to the Principal Paying Agent or U.S. Paying Agent of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Note at the specified office of the Principal Paying Agent or U.S. Paying Agent, as applicable.

Such exchange will be effected in accordance with the provisions of the New York Law Agency Agreement (in the case of Notes issued by BAC and BofA Finance) or the English Law Agency Agreement (in the case of Notes issued by MLBV) and, in either case, the regulations concerning the transfer and registration of Notes scheduled thereto, and, in particular, shall be effected without charge to any holder, but against such indemnity as the Principal Paying Agent or U.S. Paying Agent, as applicable, may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

(a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth calendar day after they are due to be issued and delivered in accordance with the terms of the Global Note; or

(b) any of the Notes represented by a Global Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Global Note in accordance with the terms of the Global Note on the due date for payment,

then the Global Note (including the obligation to deliver Individual Note Certificates) will become void at 5.00 p.m. (London time) on such thirtieth calendar day (in the case of (a) immediately above) or at 5.00 p.m. (London time) on such due date (in the case of (b) immediately above) and the holder of the Global Note will have no further rights thereunder (but without prejudice to the rights which the holder of the Global Note or others may have under the MLBV Notes Deed of Covenant (as defined under "Terms and Conditions of the Notes")). With respect to Notes issued by MLBV, under the MLBV Notes Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note will acquire directly against MLBV all those rights to which they would have been entitled if, immediately before the Global Note became void, they were entered in the Register as the holder of Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear

and/or Clearstream, Luxembourg and/or any other relevant clearing system. For the avoidance of doubt, Holders of Notes held through DTC are not entitled to the benefit of the direct rights under the Notes Deed of Covenant.

Form of the Warrants

Registered Warrants

If the applicable Final Terms specify that Warrants are eligible for sale exclusively in the United States or to, or for the account or benefit of, U.S. persons pursuant to an exemption from the registration requirements of the Securities Act, the Warrants sold (a) in the United States to QIBs who are also each a QP within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the 1940 Act and the rules thereunder or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs will be represented by a Rule 144A Global Warrant (the "**Rule 144A Global Warrant**") which will be in registered form and either (i) deposited with the U.S. Warrant Agent as a custodian for, and registered in the name of a nominee of, DTC; or (ii) deposited with, and registered in the name of a nominee of, the Common Depositary.

Warrants which may be sold as described above to U.S. persons who are QIBs and also QPs in reliance on Rule 144A are referred to in this Offering Circular as "**Rule 144A Warrants**", which term shall also include, where the context requires, Rule 144A Warrants sold as described in the succeeding paragraph that are represented by a Regulation S/Rule 144A Global Warrant (as defined below).

If specified in the applicable Final Terms, the Warrants may be sold (a) pursuant to Rule 144A (i) to persons in the United States who are QIBs and QPs or (ii) to or for the account or benefit of U.S. persons who are QIBs and also QPs and (b) in either case, concurrently outside the United States to non-U.S. persons pursuant to Regulation S. Such Warrants will be represented by a Regulation S/Rule 144A Global Warrant (the "**Regulation S/Rule 144A Global Warrant**") which will be in registered form and deposited with, and registered in the name of a nominee for, the Common Depositary.

If the Warrants are to be issued into and transferred through accounts at Euroclear and Clearstream, Luxembourg, and are not eligible for sale in the United States or to, or for the account or benefit of, U.S. persons, such Series of Warrants will on issue be constituted by a global warrant in registered form (the "**Euroclear/CBL Global Registered Warrant**", together with the Rule 144A Global Warrants and the Regulations S/Rule 144A Global Warrants, the "**Global Warrants**" and each, a "**Global Warrant**") which will be deposited with, and registered in the name of the nominee of, the Common Depositary.

Each Rule 144A Global Warrant, Regulation S/Rule 144A Global Warrant and Euroclear/CBL Global Registered Warrant will be exchangeable in whole, but not in part, for individual warrant certificates ("**individual warrant certificates**") in a form to be agreed between the relevant Issuer and the Principal Warrant Agent or U.S. Warrant Agent, as applicable, representing Warrants in definitive form ("**Definitive Registered Warrants**"), only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (a) in the case of Warrants represented by a Rule 144A Global Warrant held through DTC, either DTC has notified the Issuer that it is unwilling or unable to continue as a depositary for that Rule 144A Global Warrant held through DTC and no alternative clearing system is available, or DTC has ceased to be a "clearing agency" registered under the Exchange Act, and no alternative clearing system is available, (b) in the case of Euroclear/CBL Global Registered Warrants and other Warrants registered in the name of a nominee of the Common Depositary, the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (c) the relevant Issuer or the Guarantor has or will become subject to adverse tax consequences which would not be suffered were the Warrants held in definitive form. The relevant Issuer will give notice of any such Exchange Event to the Holders in accordance with W&C Instruments Condition 12 (*Notices*).

Whenever a Global Warrant is to be exchanged for individual warrant certificates, such individual warrant certificates shall be issued in equal number to the number of Warrants represented by the Global Warrant within five business days of the delivery, by or on behalf of the Holder, DTC or such other relevant clearing system, to the Principal Warrant Agent or U.S. Warrant Agent, as applicable, of such information as is required to complete and deliver such individual warrant certificates (including, without

limitation, the names and addresses of the persons in whose names the individual warrant certificates are to be registered and the number or nominal amount of each such person's holding) against the surrender of the Global Warrant at the specified office of the Principal Warrant Agent or U.S. Warrant Agent, as applicable.

Such exchange will be effected in accordance with the provisions of the English Law Agency Agreement and the regulations concerning the transfer and registration of Warrants scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Principal Warrant Agent or U.S. Warrant Agent, as applicable, may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

(a) individual warrant certificates have not been issued and delivered by 5.00 p.m. (London time) on the thirtieth calendar day after the date on which the same are due to be issued and delivered in accordance with the terms of the Global Warrant; or

(b) the date for final settlement of the Warrants has occurred and payment in full of the amount due has not been made to the Holder on the due date for payment in accordance with the terms of the Global Warrant,

then the Global Warrant (including the obligation to deliver individual warrant certificates) will become void at 5.00 p.m. (London time) on such thirtieth calendar day (in the case of (a) immediately above) or at 5.00 p.m. (London time) on such due date (in the case of (b) immediately above) and the Holder of the Global Warrant will have no further rights thereunder (but without prejudice to the rights which the Holder of the Global Warrant or others may have under the W&C Instruments Deed of Covenant (as defined under "Terms and Conditions of the W&C Instruments")). Under the W&C Instruments Deed of Covenant, each Holder is entitled to exercise or enforce in respect of each Warrant held by him, the rights and obligations attaching to the relevant Warrant as set out in, and subject to, the W&C Instruments Deed of Covenant, the W&C Instruments Conditions and the applicable Final Terms issued in respect of such Warrants. For the avoidance of doubt, Holders of Warrants held through DTC are not entitled to the benefit of the direct rights under the W&C Instruments Deed of Covenant.

Form of the Certificates

Registered Certificates

If the applicable Final Terms specify that Certificates are eligible for sale exclusively in the United States or to, or for the account or benefit of, U.S. persons pursuant to an exemption from the registration requirements of the Securities Act, the Certificates sold (a) in the United States to QIBs who are also QPs within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the 1940 Act and the rules thereunder or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs will be represented by a Rule 144A Global Certificate (the "**Rule 144A Global Certificates**", together with the Rule 144A Global Warrants, the "**Rule 144A Global W&C Instruments**", and together with the Rule 144A Global Notes, the "**Rule 144A Global Instruments**") which will be in registered form and either (i) deposited with the U.S. Certificate Agent as a custodian for, and registered in the name of a nominee of, DTC; or (ii) deposited with, and registered in the name of a nominee of, the Common Depositary.

Certificates which may be sold as described above to U.S. persons who are QIBs and also QPs in reliance on Rule 144A are referred to in this Offering Circular as "**Rule 144A Certificates**", (and together with the Rule 144A Warrants, the "**Rule 144A W&C Instruments**"), which term shall also include, where the context requires, Rule 144A Certificates sold as described in the succeeding paragraph that are represented by a Regulation S/Rule 144A Global Certificate (as defined below).

If specified in the applicable Final Terms, the Certificates may be sold (a) pursuant to Rule 144A (i) to persons in the United States who are QIBs and QPs or (ii) to or for the account or benefit of U.S. persons who are QIBs and also QPs and (b) in either case, concurrently outside the United States to non-U.S. persons pursuant to Regulation S. Such Certificates will be represented by a Regulation S/Rule 144A Global Certificate (the "**Regulation S/Rule 144A Global Certificate**", together with the Regulation S/Rule 144A Global Warrants, the "**Regulation S/Rule 144A Global W&C Instruments**", and together

with the Regulation S/Rule 144A Global Notes, the "**Regulation S/Rule 144A Global Instruments**") which will be in registered form and deposited with, and registered in the name of a nominee for, the Common Depositary.

The Certificates are to be issued in registered form and will be represented by a global registered certificate ("**Euroclear/CBL Global Registered Certificates**", together with the Rule 144A Global Certificates and the Regulation S/Rule 144A Global Certificates, the "**Global Certificates**" and each, a "**Global Certificate**"), as specified in the applicable Final Terms. Each Global Registered Certificate will be deposited on or around the relevant Issue Date with, and registered in the name of the nominee for, the Common Depositary.

Each Global Certificate will be exchangeable in whole, but not in part, for individual certificates ("**individual certificates**"), representing Certificates in definitive form ("**Definitive Registered Certificates**" and, together with Definitive Registered Notes and Definitive Registered Warrants, "**Definitive Registered Instruments**"), if (a) in the case of Certificates represented by Rule 144A Global Certificates held through DTC, either DTC has notified the Issuer that it is unwilling or unable to continue as a depositary for such Rule 144A Global Certificates held through DTC and no alternative clearing system is available, or DTC has ceased to be a "clearing agency" registered under the Exchange Act, and no alternative clearing system is available, or (b) in the case of Global Registered Certificates and other Certificates registered in the name of a nominee of the Common Depositary, the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available.

Whenever a Global Certificate is to be exchanged for individual certificates, the relevant Issuer shall procure that individual certificates will be issued in number or nominal amount equal to the number or nominal amount of the Global Certificates then outstanding within five business days of the delivery, by or on behalf of the registered holder of the Global Certificate, DTC or such other relevant clearing system, to the Principal Certificate Agent or U.S. Certificate Agent, as applicable, of such information as is required to complete and deliver such individual certificates (including, without limitation, the names and addresses of the persons in whose names the individual certificates are to be registered and the number or nominal amount of each such person's holding) against the surrender of the Global Registered Certificate at the specified office of the Principal Certificate Agent or U.S. Certificate Agent, as applicable.

Such exchange will be effected in accordance with the provisions of the English Law Agency Agreement and the regulations concerning the transfer and registration of Certificates scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Principal Certificate Agent or U.S. Certificate Agent, as applicable, may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

(a) individual certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth calendar day after they are due to be issued and delivered in accordance with the terms of the Global Certificate; or

(b) the date for final settlement of the Certificates has occurred and payment in full of all amounts due has not been made to the Holder of the Global Certificate on the due date for payment in accordance with the terms of the Global Certificate,

then the Global Certificate (including the obligation to deliver individual certificates) will become void at 5.00 p.m. (London time) on such thirtieth calendar day (in the case of (a) immediately above) or at 5.00 p.m. (London time) on such due date (in the case of (b) immediately above) and the Holder of the Global Certificate will have no further rights thereunder (but without prejudice to the rights which the holder of the Global Certificate or others may have under the W&C Instruments Deed of Covenant). Under the W&C Instruments Deed of Covenant, each Holder is entitled to exercise or enforce in respect of each Certificate held by him, the rights and obligations attaching to the relevant Certificate as set out in, and subject to, the W&C Instruments Deed of Covenant, the W&C Instruments Conditions and the applicable Final Terms issued in respect of such Certificates. For the avoidance of doubt, Holders of

Certificates held through DTC are not entitled to the benefit of the direct rights under the W&C Instruments Deed of Covenant.

CREST Depository Interests

Following their delivery into a clearing system, interests in Instruments may be delivered, held and settled in CREST by means of the creation of CDIs representing the interests in the relevant Instruments. The CDIs will be issued by the CREST Depository to CDI Holders and will be governed by English law.

The CDIs will represent indirect interests in the interest of the CREST Nominee in the Instruments. Pursuant to the CREST Manual, Instruments held in global form may be settled through CREST, and the CREST Depository will issue CDIs. The CDIs will be independent securities, constituted under English law which may be held and transferred through CREST.

Interests in the Underlying Instruments will be credited to the CREST Nominee's account with Euroclear and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated by the CREST Depository as if it were one Instrument, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to CDI Holders any interest or other amounts received by it as holder of the Underlying Instruments on trust for such CDI Holder. CDI Holders will also be able to receive from the CREST Depository notices of meetings of holders of Instruments and other relevant notices issued by the Issuer.

Transfers of interests in Instruments by a CREST participant to a participant of Euroclear and/or Clearstream, Luxembourg will be effected by cancellation of the CDIs and transfer of an interest in such Underlying Instruments to the account of the relevant participant with Euroclear or Clearstream, Luxembourg.

The CDIs will have the same ISIN as the ISIN of the Underlying Instruments and will not require a separate listing on the Official List of the Luxembourg Stock Exchange.

Prospective subscribers for Instruments represented by CDIs are referred to Chapter 3 of the CREST Manual which contains the form of the CREST Deed Poll entered into by the CREST Depository. The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear and/or Clearstream, Luxembourg and the Issuer including the CREST Deed Poll (in the form contained in Chapter 3 of the CREST International Manual (which forms part of the CREST Manual)) executed by the CREST Depository. These rights may be different from those of holders of Instruments which are not represented by CDIs.

If issued, CDIs will be delivered, held and settled in CREST, by means of the CREST International Settlement Links Service. The settlement of the CDIs by means of the CREST International Settlement Links Service has the following consequences for CDI Holders:

1. CDI Holders will not be the legal owners of the Instruments. The CDIs are separate legal instruments from the Underlying Instruments to which they relate and represent an indirect interest in such Underlying Instruments.

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

3. Rights under the Underlying Instruments cannot be enforced by CDI Holders except indirectly through the intermediary depositaries and custodians described above. The enforcement of rights under the Underlying Instruments will therefore be subject to the local law of the relevant intermediary. The rights of CDI Holders to the Underlying Instruments are represented by the entitlements against the CREST Depository which (through the CREST Nominee) holds interests in the Underlying Instruments. This could result in an elimination or reduction in the

payments that otherwise would have been made in respect of the Underlying Instruments in the event of any insolvency or liquidation of a relevant intermediary, in particular where the Underlying Instruments 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.

4. The CDIs issued to CDI Holders will be constituted and issued pursuant to the CREST Deed Poll. CDI Holders will be bound by all provisions of the CREST Deed Poll and by all provisions of or prescribed pursuant to the CREST Manual and the CREST Rules and CDI Holders must comply in full with all obligations imposed on them by such provisions.

5. Potential investors 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 CDI Holders and limitations on the liability of the issuer of the CDIs, the CREST Depository.

6. CDI Holders may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them. The attention of potential investors is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from CREST.

7. Potential investors should note CDI Holders 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 CDIs through the CREST International Settlement Links Service.

8. Potential investors should note that the Issuers, the Guarantor, the Dealers, the Agents, the Registrar or their respective advisers will not have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

FORM OF FINAL TERMS OF THE NOTES

[**IMPORTANT - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended or superseded ("**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97, as amended or superseded (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended or superseded, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.][1]

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

[**PROHIBITION OF OFFERING AND MARKETING TO SWISS PRIVATE CLIENTS** - The Notes are not intended to be offered, sold, marketed or otherwise made available to and shall not be offered, sold, marketed or otherwise made available to any private client in Switzerland other than in the context of a portfolio management agreement within the meaning of article 58(2) of the Swiss Financial Services Act ("**FinSA**") and article 83 of the Swiss Financial Services Ordinance ("**FinSO**"). No [simplified prospectus or][3] key information document within the meaning of article 58 FinSA (or equivalent document) has been prepared with respect to the Notes.][4]

[**Notification under Section 309B(1) of the Securities and Futures Act 2001** (the "**SFA**"): The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][5]

[**Notification under Section 309B(1) of the Securities and Futures Act 2001** (the "**SFA**"): The Notes are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of

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1 Include where the Notes will not be offered, sold or otherwise made available to any retail investor in the European Economic Area.

2 Include where the Notes will not be offered, sold or otherwise made available to any retail investor in the United Kingdom.

3 Remove reference to "simplified prospectus" if Notes are offered and marketed after 31 December 2022.

4 Include where the Notes are being offered and marketed in or into Switzerland only to professional or institutional clients, and where no simplified prospectus or Swiss key investor document (or equivalent document) is available.

5 Applicable where offers are made under Section 275(1A) of the Securities and Futures Act 2001, as designated in the relevant Singapore selling restrictions in the documents for the relevant Notes and such Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][6]

[*Date*]

[BANK OF AMERICA CORPORATION] [BOFA FINANCE LLC] [MERRILL LYNCH B.V.]

LEI: [9DJT3UXIJIZJI4WXO774] [549300CGZYSEY3ZSIW16] [549300RQ1D1WIE085245]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the Bank of America Corporation, BofA Finance LLC, Merrill Lynch B.V. and Merrill Lynch International & Co. C.V.

Note, Warrant and Certificate Programme

[unconditionally and irrevocably guaranteed as to payment [and delivery][7] obligations by Bank of America Corporation][8]

[*Include the following warning for all Notes where capital is at risk*:

INVESTING IN THE NOTES PUTS YOUR CAPITAL AT RISK. YOU MAY LOSE SOME [OR ALL] OF YOUR INVESTMENT.]

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each, a "**Member State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended or superseded, the "**EU Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes in that Member State may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in the United Kingdom (the "**UK**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") and regulations made under the EUWA (the "**UK Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes in the UK may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

[Neither this document nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the Swiss Financial Services Act ("**FinSA**") and neither this document nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland, except in instances where such

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6 Applicable where offers are made under Section 275(1A) of the Securities and Futures Act 2001, as designated in the relevant Singapore selling restrictions in the documents for the relevant Notes and such Notes are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

7 Delete for Notes issued by BofA Finance.

8 Remove references to the Guarantor and the Guarantee if BAC is the Issuer or the Notes to be issued are Secured Notes. For fungible and straddle trades, references herein should reflect the applicable guarantee.

marketing, offering or distribution does not require the publication of a prospectus pursuant to the FinSA.][9]

The Notes [are unsecured and][10] are not and will not be savings accounts, deposits or obligations of, or otherwise guaranteed by, any bank. The Notes do not evidence deposits of Bank of America, N.A. or any other bank and are not insured by the U.S. Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other insurer or governmental agency or instrumentality.

[The Notes [and the relevant Guarantee] have not been and will not be registered under U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under any U.S. state securities laws. The Notes [and the relevant Guarantee] may not be offered, sold, resold, traded, transferred, pledged, delivered or redeemed, directly or indirectly, within the United States of America (including the U.S. states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction (the "**United States**") or to, or for the account or benefit of, U.S. persons (as defined by Regulation S under the Securities Act) (other than distributors) except in accordance with Regulation S under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.][11]

[The Notes[, the relevant Guarantee] and, in certain cases, the Entitlement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under any U.S. state securities laws and [none of the Notes] [neither the Notes nor the relevant Guarantee] may be offered, sold, resold, traded, transferred, pledged, delivered or redeemed, directly or indirectly, at any time within the United States or to, or for the account or benefit of, any U.S. person. For the purposes hereof, "**U.S. person**" has the meaning ascribed to it by Regulation S under the Securities Act.][12]

[Each purchaser of Notes being offered within the United States or to, or for the account or benefit of, a U.S. person (as defined herein) is hereby notified that the offer and sale of such Notes is being made in reliance upon an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "**Securities Act**") pursuant to Rule 144A ("**Rule 144A**") and the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"). [The MLBV/MLICo. Guarantee has not been and will not be registered under the Securities Act.] The Issuer will offer and sell Notes within the United States or to, or for the account or benefit of, a U.S. person through BofA Securities, Inc. or one of its affiliates, which in each case is a U.S. registered broker dealer, in private transactions exclusively to persons reasonably believed to be qualified institutional buyers (each a "**QIB**") as defined in Rule 144A who are also each a qualified purchaser (each a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51)(A) of the 1940 Act, and the rules thereunder, and who, as a condition to purchasing the Notes will enter into and remain in compliance with an Investor Representation Letter for the benefit of [BofA Securities, Inc.][,] [and] the Issuer [and Bank of America Corporation (the "**Guarantor**")] (together with their respective affiliates and any persons controlling, controlled by or under common control with [BofA Securities, Inc.][,] [and] the Issuer [and the Guarantor]). The exercise of the Notes by, or for the account or benefit of, a U.S. person will be conditional upon such holder (and any person on whose behalf the holder is acting) being a QIB and a QP. See "Terms and Conditions of the Notes" and "Annex 11A - *Additional Terms and Conditions for Rule 144A Notes*" in the Offering Circular. Investors in the Notes will be deemed to have made or will be required to make certain representations and warranties in connection with purchasing the Notes. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" of the accompanying Offering Circular.

The Rule 144A Notes will be represented by a global note (a "**Rule 144A Global Note**"), which will be deposited with Bank of America, N.A. (operating through its London Branch), as common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") or with the U.S. Paying Agent as a custodian for The Depository Trust Company ("**DTC**"), and will be exchangeable for Definitive Registered Notes in the limited circumstances described in the Rule 144A Notes. Beneficial interests in the Rule 144A Notes will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and

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9 Include where Notes are marketed, offered or sold in or into Switzerland and in respect of Notes for which "Swiss Non-Exempt Public Offer" is specified as "No".

10 Include in the case of all Notes other than Secured Notes.

11 Include for Notes issued by BAC and BofA Finance.

12 Include in the case of Notes issued by MLBV other than Rule 144A Notes or Regulation S/Rule 144A Notes.

Clearstream, Luxembourg or DTC, as the case may be. The English Law Agency Agreement (as defined in the Conditions) provides that it and the Rule 144A Notes will be governed by, and construed in accordance with English Law. [The MLBV/MLICo. Guarantee is governed by, and construed in accordance with, the laws of the State of New York.]][13]

[The Notes will be eligible for sale concurrently (a) in the United States or to, or for the account or benefit of, U.S. persons (as defined herein), in either case to qualified institutional buyers (each, a "**QIB**") as defined in Rule 144A ("**Rule 144A**") of the Securities Act, as amended (the "**Securities Act**") who are also qualified purchasers (each, a "**QP**") within the meaning of Section 3(a)(7) and as defined in Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"), and the rules thereunder, and (b) outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act, in each case subject to the terms and conditions set forth herein and in the Conditions (described below) and the accompanying Offering Circular.

The Notes will be represented by a global note (a "**Regulation S/Rule 144A Global Note**") which will be deposited with Bank of America, N.A. (operating through its London Branch), as common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and will be exchangeable for Definitive Registered Notes in the limited circumstances described in the Regulation S/Rule 144A Global Note. Beneficial interests in the Notes will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream, Luxembourg. The English Law Agency Agreement (as defined in the Conditions) provides that it and the Notes will be governed by, and construed in accordance with, English law. [The relevant Guarantee is governed by, and construed in accordance with, the laws of the State of New York.]

Each purchaser of Notes being offered within the United States or to, or for the account or benefit of, a U.S. person (as defined herein) is hereby notified that the offer and sale of such Notes is being made in reliance upon an exemption from the registration requirements of the Securities Act pursuant to Rule 144A and the 1940 Act. [The MLBV/MLICo. Guarantee has not been and will not be registered under the Securities Act.] The Issuer will offer and sell Notes within the United States or to, or for the account or benefit of, a U.S. person through BofA Securities, Inc. or one of its affiliates, which in each case is a U.S. registered broker dealer, in private transactions exclusively to persons reasonably believed to be QIBs who are also each a QP, and who, as a condition to purchasing the Notes will enter into and remain in compliance with an Investor Representation Letter for the benefit of [BofA Securities, Inc.][,] [and] the Issuer [and Bank of America Corporation (the "**Guarantor**")] (together with their respective affiliates and any persons controlling, controlled by or under common control with [BofA Securities, Inc.][,] [and] the Issuer [and the Guarantor]). The exercise of the Notes by, or for the account or benefit of, a U.S. person will be conditional upon such holder (and any person on whose behalf the holder is acting) being a QIB and a QP. See "*Terms and Conditions of the Notes*" and "Annex 11A - *Additional Terms and Conditions for Rule 144A Notes*" in the Offering Circular. Investors in the Notes will be deemed to have made or will be required to make certain representations and warranties in connection with purchasing the Notes. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" of the accompanying Offering Circular.][14]

[The Notes are being offered by Merrill Lynch International ("**MLI**") or BofA Securities Europe SA ("**BofASE**") subject to prior sale, when, as and if delivered to and accepted by MLI or BofASE and to certain other conditions. Notes sold in the United States will be sold through BofA Securities, Inc., a registered broker-dealer. MLI or BofASE reserves the right to withdraw, cancel or modify such offer and to reject orders in whole or in part.

No person is authorised to give any information or to make any representation not contained in or not consistent with this document or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, [the Guarantor,] the Principal Paying Agent or any other person. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is

[13] Include in the case of Rule 144A Notes issued by MLBV other than Regulation S/Rule 144A Notes.

[14] Include in the case of Regulation S/Rule 144A Notes.

unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Notes or the distribution of this document in any jurisdiction where any such action is required.

The delivery of these Final Terms and the Offering Circular does not at any time imply that the information contained herein or in the Offering Circular concerning the Issuer [and/or the Guarantor] is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme or the Notes is correct as of any time subsequent to the date indicated in the document containing the same. [None of][Neither] MLI[,] [nor] BofASE [and BofA Securities, Inc.] undertakes to review the financial condition or affairs of the Issuer [and/or the Guarantor] during the life of the Programme. Investors should review, *inter alia*, the most recently published annual financial statements, if any, of the Issuer [and the Guarantor] when deciding whether or not to purchase any Notes.

The Notes create options which are either exercisable by the relevant holder or which will be automatically exercised as provided herein. The Notes will be exercised or will be exercisable in the manner set forth herein and in the Offering Circular. The Notes are subject to restrictions on transfer. Holders of Notes may not transfer the Notes except as permitted under the Securities Act and applicable state securities laws and subject to the transfer restrictions set forth in the Offering Circular. Any transfer of a Rule 144A Note in the United States or to, or for the account or benefit of, a U.S. person must be made to or through the Issuer or the Dealer to a person that is a QIB/QP that executes an Investor Representation Letter and otherwise in accordance with the applicable transfer restrictions set forth in the Offering Circular. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" in the Offering Circular.

Neither these Final Terms, the Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, [the Guarantor,] MLI[,] [or] BofASE [or BofA Securities, Inc.] that any recipient of these Final Terms and the Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer [and the Guarantor]. No representation is made to any offeree or purchaser of the Notes regarding the legality of an investment therein by such offeree or purchaser under any applicable legal investment or similar laws or regulations. The contents of these Final Terms and the Offering Circular are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her attorney or business and tax advisor as to legal, business and tax advice.

Each person receiving these Final Terms and the Offering Circular acknowledges that (i) such person has been afforded an opportunity to request from the Issuer [and the Guarantor] and to review all additional information concerning the Issuer [and the Guarantor] and the terms of the Notes that it considers to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) such person has not relied on the Initial Purchaser (as defined below) or any person affiliated with the Initial Purchaser in connection with its investigation of the accuracy of such information or its investment decision, (iii) none of the Issuer, [the Guarantor] and the Initial Purchaser has made any due diligence inquiry with respect to the Reference Item (if applicable) in connection with the offering of the Notes, (iv) the Issuer, [the Guarantor] and the Initial Purchaser and their affiliates may obtain material non-public information regarding the Reference Item (if applicable) or any affiliate of the Reference Item (if applicable), and none of the Issuer, [the Guarantor,] the Initial Purchaser and any such affiliate undertakes to disclose any such information to subsequent purchasers of Notes and (v) no person has been authorised to give any information or to make any representation concerning the Issuer, [the Guarantor] or the Notes other than as contained herein or in the Offering Circular and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, [the Guarantor] or the Initial Purchaser.][15]

[Each offeree is authorised to use these Final Terms and the Offering Circular solely for the purpose of considering the purchase of the Notes described herein. [The Issuer, [the Guarantor] and any of MLI[,] [or] BofASE [or BofA Securities, Inc.], as initial purchaser (the "**Initial Purchaser**"), reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the Notes.][16]

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[15] Include in the case of Rule 144A Notes or Regulation S/Rule 144A Notes.

[16] Include in the case of Rule 144A Notes or Regulation S/Rule 144A Notes

These Final Terms and the Offering Circular are personal to the offeree to whom they have been delivered and do not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the Notes. Distribution of these Final Terms and the Offering Circular to any person other than the offeree and those persons, if any, retained to advise the offeree in connection with its purchase of the Notes is unauthorised, and any disclosure of any of their contents, without the prior written consent of the Issuer[,] [and] [the Guarantor] and the Initial Purchaser, is prohibited.][17]

[Nothing herein should be considered to impose on the recipient of these Final Terms any limitation on disclosure of the tax treatment or tax structure of the transactions or matters described herein.][18]

The Issuer [and the Guarantor] reserve[s] the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the Notes.

[AVAILABLE INFORMATION

In order to preserve the exemptions for permitted re-sales and transfers pursuant to Rule 144A, the Issuer [and the Guarantor] have agreed to furnish, upon the request of any holder of a Rule 144A Note or of a beneficial interest therein, such information as is specified in paragraph (d)(4) of Rule 144A under the Securities Act to such holder or beneficial owner or to a prospective purchaser of such Rule 144A Note in order to permit such holder or beneficial owner to comply with the requirements of Rule 144A in connection with the re-sale, unless, at the time of such request, the Issuer is subject to the reporting requirements of Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or is included in the list of foreign private issuers that claim exemption from the registration requirements of Section 12(g) of the Exchange Act (and therefore is required to furnish the U.S. Securities and Exchange Commission with certain information pursuant to Rule 12g3-2(b) under the Exchange Act). This information may be obtained during normal business hours on any weekday at the specified office of the applicable Paying Agent.][19]

The purchase of Notes involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Before making an investment decision, prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in the Offering Circular (including the section headed "Risk Factors" thereof) and these Final Terms.

[For a description of the key features and mechanics of the Instrument, including loss potential, see also description of the instrument under the corresponding SSPA code in "*Annex 18: Swiss Product Description*" in the Offering Circular.]

[Unregulated Notes: The Notes do not constitute a participation in a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act and are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA.*[20]***]**

None of the Notes constitutes a participation in a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act. Therefore, none of the Notes is subject to approval, registration or supervision by the Swiss Financial Market Supervisory Authority FINMA or any other regulatory authority in Switzerland. Accordingly, potential purchasers do not have the benefit of the specific investor protection provided under the Swiss Collective Investment Schemes Act and are exposed to the credit risk of the Issuer and Guarantor.][21]

[*Insert any specific additional risk factors (relating only to the tranche of Notes documented by these Final Terms)*]

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17 Include in the case of Rule 144A Notes or Regulation S/Rule 144A Notes.

18 Include in the case of Rule 144A Notes or Regulation S/Rule 144A Notes.

19 Include in the case of Rule 144A Notes or Regulation S/Rule 144A Notes.

20 Include only for Swiss Non-Exempt Public Offers.

21 Include in the case of Instruments being marketed, offered or sold in or into Switzerland.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated 13 May 2022 (the "**Offering Circular**") as supplemented by the supplement(s) to the Offering Circular approved by the Luxembourg Stock Exchange from time to time, which are available at www.bourse.lu. This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Offering Circular and any supplements thereto. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular and any supplements thereto. The Offering Circular and the supplement(s) to the Offering Circular are available for viewing and can be obtained during normal business hours at the registered office of the relevant Dealer and at the specified office of the applicable Paying Agent and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).

[*The following alternative language applies if the first tranche of an issue of Notes which is being increased was issued under the Original Base Prospectus/Offering Circular (as defined below).*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the [Base Prospectus/Offering Circular] dated [15 September 2009] [22 June 2010] [22 June 2011] [24 May 2012] [9 January 2013] [15 November 2013] [12 November 2014] [11 November 2015] [10 May 2016] [24 January 2017] [19 May 2017] [18 May 2018] [16 May 2019] [14 May 2020] [14 May 2021] (the "**Original [Base Prospectus/Offering Circular]**") which are incorporated by reference in the Offering Circular dated 13 May 2022 (the "**Offering Circular**") as supplemented by the supplement(s) to the Offering Circular approved by the Luxembourg Stock Exchange from time to time, which are available at www.bourse.lu. This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Offering Circular and any supplements thereto, including the Conditions incorporated by reference in the Offering Circular as supplemented. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular and any supplements thereto (including those sections of the Original [Base Prospectus/Offering Circular] incorporated by reference therein). The Original [Base Prospectus/Offering Circular] and the Offering Circular and the supplement(s) to the Offering Circular are available for viewing and can be obtained during normal business hours at the registered office of the relevant Dealer and at the specified office of the applicable Paying Agent and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).]

References herein to numbered Conditions are to the "Terms and Conditions of the Notes" set forth in the [Offering Circular] [Original [Base Prospectus/Offering Circular]] and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms, save as where otherwise expressly provided. [References in the Offering Circular to "Instruments" and related references (including, but not limited to, "Instrument Agents") shall, for the purposes of the issue of the Notes, save where the context otherwise requires, be deemed to be references to "Securities" (including "Security Agents").]

Prospective investors should note that the "Terms and Conditions of the Notes" set out in the [Offering Circular] [Original [Base Prospectus/Offering Circular]] are governed by, and construed in accordance with, [English law] [the laws of the State of New York][22] [, and the relevant Guarantee] is governed by, and construed in accordance with, the laws of the State of New York].

No person has been authorised to give any information or make any representation not contained in or not consistent with these Final Terms, or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer[, the Guarantor] or any Dealer.

By investing in the Notes each investor represents that:

(a) *Non-Reliance. It is acting for its own account, and it has made its own independent decisions to invest in the Notes and as to whether the investment in the Notes is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer[, the Guarantor] or any*

[22] Notes issued by BAC and BofA Finance are governed by New York law. Notes issued by MLBV are governed by English law.

Dealer as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the "Terms and Conditions of the Notes" shall not be considered to be investment advice or a recommendation to invest in the Notes. No communication (written or oral) received from the Issuer[, the Guarantor] or any Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Notes.

(b) *Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms and conditions and the risks of the investment in the Notes. It is also capable of assuming, and assumes, the risks of the investment in the Notes.*

(c) *Status of Parties. None of the Issuer[, the Guarantor] and any Dealer is acting as fiduciary for or adviser to it in respect of the investment in the Notes.*

[These Final Terms shall also serve as a Confirmation by [*name of applicable permitted dealer in the United States*] pursuant to Rule 10b-10 of the U.S. Securities Exchange Act of 1934, as amended, and any other applicable rules and regulations.][23]

[*Include whichever of the following apply or specify as "Not Applicable" or delete any inapplicable provision.*]

1.	Issuer:	[Bank of America Corporation] [BofA Finance LLC] [Merrill Lynch B.V.]
2.	Guarantor:	[Bank of America Corporation] [Not Applicable][24]
3.	(a) Series Number:	[●]
	(b) Tranche Number:	[●] (*If fungible with an existing Series, include details of that Series, including the date on which the Notes become fungible*)
4.	Specified Currency or Currencies:	[●]
5.	Aggregate Nominal Amount:	
	(a) [Series:]	[●]
	(b) [Tranche:]	[●]
6.	Issue Price:	[100][25] [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)]
7.	(a) Specified Denominations:	[●] *(MLBV Notes and BofA Finance Notes (including MLBV Notes or BofA Finance Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by MLBV or BofA Finance, as applicable, in the United Kingdom, or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 and which have a maturity of less than one year*

[23] Include in the case of Rule 144A Notes or Regulation S/Rule 144A Notes.

[24] Insert "Not Applicable" if BAC is the Issuer or the Notes are Secured Notes.

[25] Insert "100 per cent" in respect of Preference Share Linked Notes

		must have a redemption value of £100,000 (or its equivalent in other Specified Currencies)) *(N.B. BAC Notes must have an original maturity date of not less than 365 days (one year))*
	(b) Calculation Amount:	[●] *(If only one Specified Denomination, insert the Specified Denomination.* *If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
8.	Trade Date:	[●] *In respect of Rule 144A Notes and Regulation S/Rule 144A Notes only*: [The time of the transaction by each initial purchaser is available upon written request to BofA Securities, Inc.]
9.	Strike Date:	[●]
10.	[(a)] Issue Date [and Interest Commencement Date]:	[●]
	[(b) Interest Commencement Date (if different from the Issue Date):	[●]]
11.	Maturity Date:	[●] [*Fixed Rate Note – specify date; Floating Rate Note* – Interest Payment Date falling in or nearest to [*specify month*]] [the "**Scheduled Maturity Date**", subject as provided in the Credit Linked Note Conditions and paragraph(s) 23 and 33 below.] [*N.B. BAC Notes must have an original maturity date of not less than 365 days (one year)*]
12.	Interest Basis:	[[●] per cent. Fixed Rate] [[BBSW] [TORF]] [EUR EURIBOR ICE Swap Rate®] [GBP SONIA ICE Swap Rate®] [U.S. Dollar SOFR ICE Swap Rate®] [TONA TSR] [KRW CMS Rate] [Constant Maturity Swap Rate] +/- [●] per cent. Floating Rate] [Range Accrual] [Zero Coupon] [Index Linked] [Share Linked] [GDR/ADR Linked] [FX Linked] [Commodity Linked] [Fund Linked] [Inflation Linked] [Non-Interest bearing][26] [*Specify other*] [(further particulars specified below)]
13.	Redemption/Payment Basis:	[Redemption at par]

[26] Insert in the case of Preference Share Linked Notes or any other non-interest bearing Notes

		[Index Linked] [Share Linked] [GDR/ADR Linked] [FX Linked] [Commodity Linked] [Fund Linked] [Inflation Linked] [Credit Linked] [Preference Share Linked] [Partly Paid] [Instalment] [*Specify other*] [(further particulars specified below)]
14.	Change of Interest Basis or Redemption/Payment Basis:	[Applicable] [Not Applicable] (*Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis*)
15.	Put/Call Options:	[Investor Put (further particulars specified below)] [Issuer Call (further particulars specified below)] [Not Applicable]
16. (a)	Status of the Notes:	[Senior]
(b)	Status of the Guarantee:	[Senior] [Not Applicable][27]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.	Fixed Rate Notes:	[Applicable] [Not Applicable]
(a)	Rate(s) of Interest:	[●] per cent. per annum [payable [annually] [semi-annually] [quarterly] in arrear]
(b)	Interest Payment Date(s):	[[●] in each year up to and including the Maturity Date] [*specify other*] [subject to the Credit Linked Note Conditions] (*Include if Tranched Portfolio CLNs*) (*N.B. This will need to be amended in the case of long or short coupons*) [Adjusted] [Unadjusted] (*If the Fixed Interest Period(s) are adjusted, specify the relevant Business Day Convention at paragraph 17(c) below. If Fixed Interest Period(s) are not adjusted, no Business Day Convention should be specified*)
(c)	Business Day Convention:	[Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [*specify other*] [Not Applicable][28]

[27] Insert "Not Applicable" if BAC is the Issuer or if the Notes are Secured Notes.

[28] Insert "Not Applicable" for Business Day Convention and Additional Business Centre(s) if Interest Payment Dates are Unadjusted.

(d)	Additional Business Centre(s):	[●] [Not Applicable]
(e)	Fixed Coupon Amount(s):	[[●] per Calculation Amount] [Not Applicable]
(f)	Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling on [●]] [Not Applicable] (*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)*)
(g)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [*Specify other*] (*N.B. Actual/Actual (ICMA) is normally only appropriate for Fixed Rate Notes denominated in euros*)
(h)	Determination Date(s):	[[●] in each year] [Not Applicable] (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration)*) (*N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
(i)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[None] [*Give details*]
18. Floating Rate Notes:		[Applicable] [Not Applicable]
(a)	Specified Period(s)/Specified Interest Payment Dates:	[●] [Adjusted] [Unadjusted] (*If the Interest Period(s) are adjusted, specify the relevant Business Day Convention at paragraph 18(b) below. If Interest Period(s) are not adjusted, no Business Day Convention should be specified*)
(b)	Business Day Convention:	[Floating Rate Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [*specify other*] [Not Applicable]
(c)	Additional Business Centre(s):	[●] [Not Applicable]

(d)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination] [Range Accrual] [*specify other*] [If Range Accrual insert following language: The Rate of Interest for each Interest Period shall be determined by the Calculation Agent in accordance with the following formula: Coupon x (n/N) Where: "**Coupon**" means [●]. "**n**" means the total number of calendar days in the relevant Interest Period on which the Reference Rate (as defined below) is within the Range. "**N**" means the actual number of calendar days in the relevant Interest Period. "**Range**" means for each Interest Period in the period [from (and including) [●] to (but excluding) [●]], equal to or greater than zero but less than or equal to [●] per cent. "**Reference Rate**" means, in respect of a calendar day, the rate for deposits in [●] for a period of [●] months which appears on [*insert page reference*] (or such successor page or service as may in the determination of the [Calculation Agent] replace such page or service) (the "**Screen Page**") as of [*insert time*] on such calendar day or if the Screen Page is not available or the relevant rate is not quoted and it is impossible or otherwise impracticable to obtain the relevant rate, the rate determined by the Calculation Agent in its sole discretion from such source(s) and at such time as it may select, provided that if a calendar day is not a Business Day the Reference Rate for such calendar day shall be the Reference Rate for the immediately preceding Business Day, provided further that for each calendar day in an Interest Period falling after the seventh Business Day prior to the [end of such Interest Period], the Reference Rate shall be the Reference Rate on such seventh Business Day.]
(e)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	[●] [Calculation Agent] [Not Applicable]
(f)	Screen Rate Determination:	[Applicable] [Not Applicable]
	- Reference Rate:	[BBSW] [TORF] [EUR EURIBOR ICE Swap Rate®] [GBP SONIA ICE Swap Rate®] [U.S. Dollar SOFR ICE Swap Rate®] [TONA TSR]

		[KRW CMS Rate] [Constant Maturity Swap Rate] [●]
	- [Constant Maturity Swap:	
	- Specified Currency:	[●]
	- Designated Constant Maturity Swap Rate Administrator:	[●] [Not Applicable]
	- Designated Constant Maturity Swap Provider:	[●] [Not Applicable]]
	- Specified Maturity:	[●] [month[s]] [year[s]]
	- Interest Determination Date(s):	[in respect of each Interest Period, the [ ] [second] Banking Day prior to the start of such Interest Period] [ ]
	- Relevant Screen Page:	[As specified in Additional Note Condition 2[(a)] [(b)] [(c)] [(d)] [(e)] [(f)] [(g)] [(h)] [(i)]] [●]
	- Relevant Time:	[As specified in Additional Note Condition 2[(a)] [(b)] [(c)] [(d)] [(e)] [(f)] [(g)] [(h)] [(i)]] [●] (*The rates specified above or other, although additional information is required if other – including fallback provisions in the applicable Agency Agreement*)
	- Constant Maturity Swap Reference Time:	[As specified in Additional Note Condition [4(b)]] [●]]
(g)	Compounded Daily:	[Applicable] [Not Applicable]
	- [Reference Rate:	Compounded Daily [SOFR] [SONIA] [TONA]
	- Applicable RFR Screen Page:	[●] [As set forth in Additional Note Condition 3(a)]
	- Relevant Time:	[●] [As set forth in Additional Note Condition 3(a)]
	- Interest Determination Date(s):	[In respect of each Interest Period, the [●] Business Day prior to the Interest Payment Date in respect of such Interest Period] [●] [As set forth in Additional Note Condition [3(b)[(ii)[(A)][(B)][(C)][(D)]]] [3(b)(iii)(1)]]
	- Determination Convention:	[Payment Delay] [Observation Period] [Lag] [Rate Cut-Off] [Index Determination]
	- Payment Delay:	[Applicable] [Not Applicable]
	- [Interest Period Demarcation Dates:	[ ] [and] in each year, from, (and including) [●] to, (and including) [●] [●] [Adjusted] [Unadjusted]

	- D:	[360] [365] [●]
	- Rate Cut-Off Date:	[●] Banking Days prior to the Maturity Date or other early redemption or repayment date.]
-	Observation Period:	[Applicable] [Not Applicable]
	- [D:	[360] [365] [●]
	- Observation Period Shift (p):	[●] Banking Days / Business Days]
-	Lag:	[Applicable] [Not Applicable]
	- [D:	[360] [365] [●]
	- p:	[●] Banking Days
	- Rate Cut-Off Option:	[Applicable] [Not Applicable]
	- Rate Cut-Off Date:	[In respect of each Interest Period, [●] Banking Days prior to the Interest Payment Date in respect of such Interest Period] [Not Applicable]]
-	Rate Cut-Off:	[Applicable] [Not Applicable]
	- [D:	[360] [365] [●]
	- Rate Cut-Off Date:	[In respect of each Interest Period, [●] Banking Days prior to the Interest Payment Date in respect of such Interest Period]]]
-	Index Determination:	[Applicable] [Not Applicable]
	- [Compounded Index:	[SONIA Compounded Index] [SOFR Compounded Index] [TONA Compounded Index]
	- D:	[360] [365] [●]
	- Observation Period Shift (p):	[●] Banking Days]]

(h)	Participation Rate:	[●]
(i)	Margin(s):	[[+/-] [●] per cent. per annum] [Not Applicable]
(j)	Minimum Interest Rate:	[[●] per cent. per annum] [Not Applicable]
(k)	Maximum Interest Rate:	[[●] per cent. per annum] [Not Applicable]
(l)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360]

		[Eurobond Basis] [30E/360 (ISDA)] [*Specify other*] (*See Condition 5 for alternatives*)
(m)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Terms and Conditions:	[Not Applicable] [*Give details*]
19. Zero Coupon Notes:		[Applicable] [Not Applicable]
(a)	Accrual Yield:	[●] per cent. per annum
(b)	Reference Price:	[●]
(c)	Any other formula/basis of determining amount payable:	[●]
(d)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Conditions 7(G)(c) and 7(N) apply] [*specify other*] (*Consider applicable day count fraction if not U.S.$ denominated*)
20. Interest linked to one or more Reference Item(s) provisions:		[Applicable] [Not Applicable]
(a)	Reference Item(s):	[As specified in paragraph[s] [32] [33] [34] [35] [36] [37] [38]] [*specify other*]
(b)	Provisions for determining Rate of Interest or Interest Amount where calculated by reference to an Index and/or a Share and/or a GDR/ADR and/or a Currency Price and/or a Commodity and/or a Commodity Index and/or a Fund and/or an Inflation Index:	[●]
(c)	Provisions for determining Rate of Interest or Interest Amount where calculation by reference to an Index and/or a Share and/or a GDR/ADR and/or a Currency Price and/or a Commodity and/or a Commodity Index and/or a Fund and/or an Inflation Index is impossible or impracticable or otherwise disrupted:	[As specified in paragraph[s] [32] [33] [34] [35] [36] [37] [38]] [*specify other*]
(d)	Specified Period(s)/Specified Interest Payment Dates:	[●] [Adjusted] [Unadjusted] (*If the Interest Period(s) are adjusted, specify the relevant Business Day Convention at paragraph 20(e) below. If Interest Period(s) are not adjusted, no Business Day Convention should be specified*)
(e)	Business Day Convention:	[Floating Rate Convention] [Following Business Day Convention] [Modified Following Business

		Day Convention] [Preceding Business Day Convention] [*specify other*]
(f)	Additional Business Centre(s):	[●] [Not Applicable]
(g)	Minimum Interest Rate:	[[●] per cent. per annum] [Not Applicable]
(h)	Maximum Interest Rate:	[[●] per cent. per annum] [Not Applicable]
(i)	Day Count Fraction:	[●]

PROVISIONS RELATING TO REDEMPTION FOR NOTES OTHER THAN PREFERENCE SHARE LINKED NOTES[29]

21.	Issuer Call:	[Applicable] [Not Applicable]
(a)	Optional Redemption Date(s):	[●]
(b)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount] [specify provisions for calculation of Optional Redemption Amount]
(c)	If redeemable in part:	
(i)	Minimum Redemption Amount:	[●] [Not Applicable]
(ii)	Maximum Redemption Amount:	[●] [Not Applicable]
(d)	Notice period (if other than as set out in the Conditions):	[●] [Not Applicable]
22.	Investor Put:	[Applicable] [Not Applicable]
(a)	Optional Redemption Date(s):	[●]
(b)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount] [*specify provisions for calculation of Optional Redemption Amount*]
(c)	Notice period (if other than as set out in the Conditions):	[●] [Not Applicable]
23.	Automatic Early Redemption:	[Applicable] [Not Applicable]
(a)	Automatic Early Redemption Event:	[●]
(b)	Automatic Early Redemption Amount:	[●] per Calculation Amount
(c)	Automatic Early Redemption Date:	[●]
24.	Final Redemption Amount of each Note:	[[●] per Calculation Amount] [As specified in paragraph 24(b) below]

[29] Include in respect of Notes other than Preference Share Linked Notes. In respect of Preference Share Linked Notes, each paragraph in this section should be marked as "Not Applicable".

		In cases where the Final Redemption Amount is Index Linked, Share Linked, GDR/ADR Linked, FX Linked, Commodity Linked, Fund Linked, Inflation Linked, Credit Linked or other variable linked: [As specified at paragraph 39(w)] (Include if Tranched Portfolio CLNs)
(a)	Reference Item(s):	[As specified in paragraph[s] [32] [33] [34] [35] [36] [37] [38] below] [*specify other*]
(b)	Provisions for determining Final Redemption Amount where calculated by reference to an Index and/or a Share and/or a GDR/ADR and/or a Currency Price and/or a Commodity and/or a Commodity Index and/or a Fund and/or an Inflation Index and/or a Reference Entity and/or any other variable:	[*Specify provisions for calculation of Final Redemption Amount*] [As specified in paragraph 19 of the Credit Linked Note Conditions] (*Include if Tranched Portfolio CLNs*)
(c)	Provisions for determining Final Redemption Amount where calculation by reference to an Index and/or a Share and/or a GDR/ADR and/or a Currency Price and/or a Commodity and/or a Commodity Index and/or a Fund and/or an Inflation Index and/or a Reference Entity and/or other variable is impossible or impracticable or otherwise disrupted:	[See paragraph[s] [32] [33] [34] [35] [36] [37] [38] below] [*specify other*]
25.	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on an event of default or on an illegality or following a Currency Substitution Event (or otherwise in accordance with the terms and conditions of the Notes), and/or the method of calculating the same (if required or if different from that set out in Condition 7(G)):	[[●] per Calculation Amount] [Market Value less Associated Costs (no floor)] [Market Value less Associated Costs (90 per cent. floor)] *(N.B. "Market Value less Associated Costs (90 per cent. floor)" should be specified for Notes issued by BAC which fall under Condition 7(G)(b) and are intended to be treated as indebtedness for United States federal income tax purposes)* *(N.B. In the case of Index Linked, Share Linked, GDR/ADR Linked, FX Linked, Commodity Linked, Fund Linked, Inflation Linked and Credit Linked Notes, consider deducting the cost to the Issuer and/or its affiliates of unwinding or adjusting any underlying or related funding and/or hedging arrangements in respect of the Notes)*]

PROVISIONS RELATING TO REDEMPTION FOR PREFERENCE SHARE LINKED NOTES[30]

26. Redemption at the Option of the Issuer:	[Not Applicable]

[30] Include in respect of Preference Share Linked Notes. In respect of Notes that are not Preference Share Linked Notes, each paragraph in this section should be marked as "Not Applicable".

		[Applicable as per Preference Share Linked Condition 7]
	(a) Optional Redemption Valuation Date:	[●] [The Optional Redemption Valuation Date will be specified in the notice relating to the Redemption at the Option of the Issuer.]
	(b) Optional Redemption Date:	[●] [The Optional Redemption Date will be specified in the notice relating to the Redemption at the Option of the Issuer.]
	(c) Notice Period:	The Issuer shall give to the Noteholders not less than [●] Business Days' notice prior to the Optional Redemption Date in accordance with Note Condition 14 (which notice shall be irrevocable).
27.	Redemption at the Option of the Noteholders:	[Not Applicable] [Applicable as per Preference Share Linked Condition 7]
	(a) Optional Redemption Valuation Date:	[●]
	(b) Optional Redemption Date:	[●]
	(c) Notice Period:	The holder exercising its option to early redeem its Preference Share Linked Notes shall give to the Issuer and the Principal Paying Agent not less than [●] Business Days' notice prior to the Optional Redemption Date in accordance with Note Condition 14 (which notice shall be irrevocable).
28.	Mandatory Early Redemption:	[Not Applicable] [Applicable as per Preference Share Linked Condition 5]
	(a) Mandatory Early Redemption Valuation Date:	[●]
	(b) Mandatory Early Redemption Date:	[●]
29.	Redemption at Maturity:	
	(a) Final Redemption Valuation Date:	[●]
30.	Early Redemption Amount of each Preference Share Linked Note payable on redemption for Illegality or following an Early Redemption Event (or otherwise in accordance with the terms and conditions of the Preference Share Linked Notes):	As specified in Preference Share Linked Condition 2

31. Early Redemption Amount of each Preference Share Linked Note payable on an Event of Default: As specified in the proviso to Preference Share Linked Condition 2]

PROVISIONS RELATING TO TYPE OF NOTES

32. Index Linked Conditions [Applicable] [Not Applicable]

(a) Index/Basket of Indices: [The index] [Each of the indices] set out under the heading "**Index**" in "Specific Information relating to the Reference Item(s)" below ([the "**Index**"] [each, an "**Index**" and together the "**Indices**" or "**Basket of Indices**"])

SPECIFIC INFORMATION RELATING TO THE REFERENCE ITEM(S)

The terms "**Index**", "**Bloomberg Code**", "**Index Sponsor**", "**Type of Index**", "**Exchange**", "**Related Exchange**", "**Index Currency**", ["**Weighting**"] and ["**Initial Level**"] (*insert additional columns as applicable*) applicable to [an] [the] Index shall have the corresponding meanings set forth against such Index in the table below.

Index	Bloomberg Code	Index Sponsor	Type of Index	Exchange	Related Exchange	Index Currency	[Weighting] [31]	[Initial Level]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

(b) Index Performance [●] [As specified in the Index Linked Conditions] [Not Applicable]

(c) Barrier Event (intraday): [Applicable] [Not Applicable]

Barrier Event Determination Day: [As specified in the Index Linked Conditions]

(d) Barrier Event (closing): [Applicable] [Not Applicable]

Barrier Event Determination Day: [Valuation Date]

[In respect of [the] [each] Index, each Scheduled Trading Day for such Index during [the] [each] Observation Period that is not a Disrupted Day for such Index]

[Each Common Scheduled Trading Day that is not a Disrupted Day for any Index in the Basket of Indices during [the] [each] Observation Period]

(e) Barrier Level: [●] [Not Applicable]

(f) Averaging: [Applicable] [Not Applicable]

(i) Averaging Dates: [●]

(ii) Omission: [Applicable] [Not Applicable]

(iii) Postponement: [Applicable] [Not Applicable]

(iv) Modified Postponement: [Applicable] [Not Applicable]

(g) Valuation Date(s): [●] [Not Applicable]

[31] May only be applicable in relation to Index Linked Notes relating to a Basket of Indices.

(h)	Valuation Time:	[As specified in the Index Linked Conditions] [*specify other*]
(i)	Observation Date(s):	[●] [Not Applicable]
(j)	Observation Period:	[Applicable: [Extension] [No Extension]] [Not Applicable]
	(i) Observation Period Start Date:	[[●] ([Including] [Excluding])] [Not Applicable]
	(ii) Observation Period End Date:	[[●] ([Including] [Excluding])] [Not Applicable]
(k)	Common Scheduled Trading Days:	[Applicable. [Common] [Individual] Disrupted Days will apply] (*N.B. If Common Scheduled Trading Days are applicable, either Common or Individual Disrupted Days must be specified.*) [Not Applicable] (*N.B. Not applicable in respect of each Index to which futures price valuation applies*) (*N.B. May only be applicable in relation to Index Linked Notes relating to a Basket*)
(l)	Disrupted Day:	[If the Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant level or price will be calculated [*insert calculation method*]] [As specified in the Index Linked Conditions]
(m)	Additional Disruption Events:	The following Additional Disruption Events apply to the Notes: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]
(n)	Additional Terms and Conditions for Index-Linked Futures Contracts:	[Not Applicable] [Applicable – the provisions set out in "Annex 16 - *Additional Terms and Conditions for Index-Linked Futures Contracts*" will apply to the Notes and [the/each] Applicable Index]
	(i) Applicable Index:	[●]
	(ii) Applicable Delivery Month:	[●]
	(iii) Derivatives Exchange	[●]
	(iv) Final Level	[Final Settlement Price or Daily Settlement Price] / [Final Settlement Price] / [Daily Settlement Price]
(o)	Other terms or special conditions:	[●] [Not Applicable]
33.	Share Linked Conditions:	[Applicable] [Not Applicable]
(a)	Share(s)/Basket of Shares:	[The] [Each of the] [ordinary shares] [depositary receipts] of the relevant Share Company set out under the heading "**Share Company**" in "Specific

Information relating to the Reference Item(s)" below (each a "**Share**" and together, the "**Shares**" [or the "**Basket of Shares**"])

SPECIFIC INFORMATION RELATING TO THE REFERENCE ITEM(S)

The terms "**Share Company**", "**ISIN of Share**", "**Bloomberg Code**", "**Exchange**", "**Related Exchange**", "**Local Jurisdiction**" [, "**Weighting**"] and ["**Initial Price**"] (*insert additional columns as appropriate*) applicable to a Share shall have the corresponding meanings set forth against the relevant Share Company in the table below.

Share Company	ISIN of Share	Bloomberg Code	Exchange	Related Exchange	Local Jurisdiction	[Weighting] [32]	[Initial Price]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

(b) Share Performance: [●] [As specified in the Share Linked Conditions]

(c) Barrier Event (intraday): [Applicable] [Not Applicable]

Barrier Event Determination Day: [As specified in the Share Linked Conditions]

(d) Barrier Event (closing): [Applicable] [Not Applicable]

Barrier Event Determination Day: [Valuation Date]

[In respect of [the] [each] Share, each Scheduled Trading Day for such Share during each Observation Period that is not a Disrupted Day for such Share]

[Each Common Scheduled Trading Day that is not a Disrupted Day for any Share in the Basket of Shares during [the] [each] Observation Period]

(e) Barrier Level: [●] [Not Applicable]

(f) Averaging: [Applicable] [Not Applicable]

(i) Averaging Dates: [●]

(ii) Omission: [Applicable] [Not Applicable]

(iii) Postponement: [Applicable] [Not Applicable]

(iv) Modified Postponement: [Applicable] [Not Applicable]

(g) Valuation Date(s): [●] [Not Applicable]

(h) Valuation Time: [As specified in the Share Linked Conditions] [*specify other*]

(i) Observation Date(s): [●]

(j) Observation Period: [Applicable: [Extension] [No Extension]] [Not Applicable]

(i) Observation Period Start Date: [[●] ([Including] [Excluding])] [Not Applicable]

[32] May only be applicable in relation to Share Linked Notes relating to Basket.

	(ii) Observation Period End Date:	[[●] ([Including] [Excluding])] [Not Applicable]
(k)	Common Scheduled Trading Days:	[Applicable. [Common] [Individual] Disrupted Days will apply] (*N.B. If Common Scheduled Trading Days are applicable, either Common or Individual Disrupted Days must be specified*) [Not Applicable] (*N.B. May only be applicable in relation to Share Linked Notes relating to a Basket*)
(l)	Disrupted Day:	[If the Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant price will be calculated [*insert calculation method*]] [As specified in the Share Linked Conditions]]
(m)	Tender Offer:	[Applicable] [Not Applicable]
(n)	Announcement Event:	[Applicable] [Not Applicable]
(o)	Share Substitution:	[Applicable. Share Substitution Criteria are [*insert details*] [as specified in the Share Linked Conditions]] [Not Applicable]
(p)	Local Tax Adjustment:	[Not Applicable] [Applicable. Local Jurisdiction is set out in "Specific Information relating to the Reference Item(s)" above. [Where Local Jurisdiction is specified to be "United States" then this shall mean the United States' federal and/or state and/or local taxes and/or any political subdivision thereof]]
(q)	Additional Disruption Events:	The following Additional Disruption Events apply to the Notes: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Cost of Stock Borrow] [Initial Stock Loan Rate: [●]] [Insolvency Filing] [Loss of Stock Borrow] [Maximum Stock Loan Rate: [●]]
(r)	Other terms or special conditions:	[●] [Not Applicable]
34. GDR/ADR Linked Conditions:		[Applicable] [Not Applicable] (*For GDR/ADR Linked Notes complete sections for Share Linked Notes (paragraph 33 above) (completed and amended as appropriate) and this section*)
(a)	Partial Lookthrough:	[Applicable] [Not Applicable]
(b)	Full Lookthrough:	[Applicable] [Not Applicable]

35.	FX Linked Conditions:		[Applicable] [Not Applicable]
	(a)	Base Currency/Subject Currency:	[●]
	(b)	Currency Price:	[As specified in the FX Linked Conditions] [*specify other*]
	(c)	FX Market Disruption Event(s):	(*N.B. Only complete if FX Trading Suspension or Limitation/Inconvertibility Event/Price Materiality Event/Non-Transferability Event and/or other disruption events should be included as FX Market Disruption Events*)
		(i) FX Trading Suspension or Limitation:	[Applicable] [Not Applicable]
		(ii) Inconvertibility Event:	[Applicable] [Not Applicable]
		(iii) Price Materiality Event:	[Applicable. Price Materiality Percentage: [●]] [Not Applicable]
		(iv) Non-Transferability Event:	[Applicable] [Not Applicable]
		(v) Other:	[●]
	(d)	Disruption Fallbacks:	(*Specify the applicable Disruption Fallbacks in the order that they will apply*) [Calculation Agent Determination] [Currency-Reference Dealers Reference Dealers: [four] [*specify other*] [EM Fallback Valuation Postponement] [EM Valuation Postponement] [Fallback Reference Price: [●]] [Other Published Sources] [Postponement Maximum Days of Postponement: [●]] [*Other*]
	(e)	FX Price Source(s):	[●]
	(f)	Specified Financial Centre(s):	[●]
	(g)	Averaging:	[Applicable. The Averaging Dates are [●]] [Not Applicable]
	(h)	Valuation Date(s):	[●]
	(i)	Valuation Time:	[●]
	(j)	Weighting:	[Not Applicable] [The weighting to be applied to each item comprising the Basket to ascertain the Currency Price is [●]] (*N.B. Only applicable in relation to FX Linked Notes relating to a Basket*)
	(k)	EM Currency Provisions:	[Applicable] [Not Applicable]
		(i) Unscheduled Holiday:	[Applicable. Maximum Days of Deferral: [●]] [Not Applicable]
		(ii) EM Valuation Postponement:	[Applicable. Maximum Days of EM Valuation Postponement: [●]] [Not Applicable]

	(iii) EM Fallback Valuation Postponement:	[Applicable. Fallback Maximum Period of Postponement: [As specified in the FX Linked Conditions] [*specify other*] [Not Applicable]]
	(iv) Cumulative Events:	[Applicable. Maximum Days of Cumulative Postponement: [As specified in the FX Linked Conditions] [*specify other*] [Not Applicable]
(l)	Successor Currency:	[Applicable] [Not Applicable] [Issue Date/*other*]
(m)	Rebasing:	[Applicable] [Not Applicable]
(n)	Additional Disruption Events:	[Not Applicable] [The following Additional Disruption Events apply to the Notes: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]]
(o)	Other terms or special conditions:	[●] [Not Applicable]
36.	Commodity Linked Conditions:	[Applicable] [Not Applicable]
(a)	Commodity/Basket of Commodities/Commodity Index/Basket of Commodity Indices:	[●]
(b)	Commodity Reference Price:	[●]
(c)	Price Source:	[●]
(d)	Exchange:	[●]
(e)	Delivery Date:	[●]
(f)	Pricing Date:	[●]
(g)	Common Pricing (Commodity Linked Condition 3(a)):	[Applicable] [Not Applicable] (*N.B. Only applicable in relation to Commodity Linked Notes relating to a Basket of Commodities or a Basket of Commodity Indices*)
(h)	Additional Commodity Market Disruption Events:	[*Specify any additional Commodity Market Disruption Events*]
(i)	Disruption Fallback(s):	[As specified in the Commodity Linked Conditions]/[*specify other*] [Fallback Reference Price: alternate Commodity Reference Price – [●]] [Commodity Cut-Off Date: [●]] [Commodity Index Cut-Off Date: [●]]
(j)	Additional Disruption Events in respect of a Commodity Index:	[Not Applicable]

		[The following Additional Disruption Events apply to the Notes in respect of a Commodity Index: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]]
(k)	Commodity Business Day:	[●] [*If Commodity Index linked, the Commodity Business Day should mirror the definition of Business Day as used in the Commodity Index*]
(l)	Weighting:	[Not Applicable] [The weighting to be applied to each item comprising the Basket is [●]] (*N.B. Only applicable in relation to Commodity Linked Notes relating to a Basket*)
(m)	Specified Price:	[high price] [low price] [average of the high price and the low price] [closing price] [opening price] [bid price] [asked price] [average of the bid price and the asked price] [settlement price] [official settlement price] [official price] [morning fixing] [afternoon fixing] [spot price] [*specify other*]
(n)	Other terms or special conditions:	[●] [Not Applicable]
37.	Fund Linked Conditions:	[Applicable] [Not Applicable]
(a)	Fund/Basket of Funds:	[●] [[The [●] Fund is an ETF] [Exchange for each Fund Share: [●]] [Related Exchange for each Fund Share: [●] [All Exchanges]] [Underlying Index: [●]] (*N.B. Include for Exchange Traded Funds (ETFs)*) [The Fund Share set out under the heading "ETF" in "Specific Information relating to the Reference Item(s)" below.]

SPECIFIC INFORMATION RELATING TO THE REFERENCE ITEM(S)

The terms "[**Fund**]", "[**ETF**]", "**ISIN Code**", "**Bloomberg Code**", "**Underlying Index**", "**Exchange**" "**Related Exchange**" and "**Initial Price**" (*insert additional columns as appropriate*) applicable to the ETF shall be the corresponding terms set forth against the ETF in the same row in the table below.

[Fund] [ETF]	ISIN Code	Bloomberg Code	Underlying Index	Exchange	Related Exchange	Initial Price
[●]	[●]	[●]	[●]	[●]	[●]	[●]

(b)	Fund Interest(s):	[●]
(c)	Fund Performance:	[●] [As specified in the Fund Linked Conditions]
(d)	Weighting:	[Not Applicable] [The weighting to be applied to each Fund comprising the Basket of Funds is [●]] (*N.B. only applicable in relation to Fund Linked Notes relating to a Basket of Funds*)
(e)	Barrier Event (intraday):	[Applicable] [Not Applicable]
	Barrier Event Determination Day:	[As specified in the Fund Linked Conditions]
(f)	Barrier Event (closing):	[Applicable] [Not Applicable]
	Barrier Event Determination Day:	[Valuation Date] [In respect of [the] [each] Fund Share, each Scheduled Trading Day for such Fund Share during an Observation Period that is not a Disrupted Day for such Fund Share] [Each Common Scheduled Trading Day that is not a Disrupted Day for any Fund in the Basket of Funds during [the] [each] Observation Period]
(g)	Barrier Level:	[●] [Not Applicable]
(h)	Averaging:	[Applicable] [Not Applicable]
	(i) Averaging Dates:	[*insert dates*]
	(ii) Omission:	[Applicable] [Not Applicable] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
	(iii) Postponement:	[Applicable] [Not Applicable] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
	(iv) Modified Postponement:	[Applicable] [Not Applicable] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
(i)	Valuation Date(s):	[●]
(j)	Valuation Time:	[As specified in the Fund Linked Conditions] [specify other] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
(k)	Observation Date(s):	[●]
(l)	Observation Period:	[Applicable: [Extension] [No Extension]] [Not Applicable]
	(i) Observation Period Start Date:	[[●] ([Including] [Excluding])] [Not Applicable]

	(ii) Observation Period End Date:	[[●] ([Including] [Excluding])] [Not Applicable]
(m)	Common Scheduled Trading Days:	[Applicable. [Common] [Individual] Disrupted Days will apply] (*N.B. If Common Scheduled Trading Days are applicable, either Common or Individual Disrupted Days must be specified*) [Not Applicable] (*N.B. May only be applicable in relation to Fund Linked Notes relating to a Basket of Funds*)
(n)	Additional Disruption Events:	[Not Applicable] [The following Additional Disruption Events apply to the Notes: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]]
(o)	Other terms or special conditions:	[Merger Event: Merger Date on or before [the Valuation Date] [*other*]] [Not Applicable]
38.	Inflation Linked Conditions:	[Applicable] [Not Applicable]
(a)	Inflation Index/Basket of Inflation Indices/Inflation Index Sponsor(s):	[●] Inflation Index Sponsor: [●]
(b)	Related Bond:	[Applicable] [Not Applicable] The Related Bond is: [●] [Fallback Bond] [Fallback Bond: [Applicable] [Not Applicable]] The End Date is: [●]
(c)	Determination Date(s):	[●]
(d)	Cut-Off Date:	[●]
(e)	Other terms or special conditions:	[●] [Not Applicable]
39.	Credit Linked Notes:	[Applicable] [Not Applicable] [The provisions of "Annex 9A – *Additional Terms and Conditions for Credit Linked Notes*" shall apply] Type of Credit Linked Notes: [Single Name CLNs] [Nth-to-Default CLNs] [Linear Basket CLNs] [Tranched Portfolio CLNs]
(a)	Trade Date:	[●] *In respect of Rule 144A Notes and Regulation S/Rule 144A Notes only*: [The time of the transaction by each initial purchaser is available upon written request to BofA Securities, Inc.]
(b)	Credit Observation Start Date:	[●]

(c)	Scheduled Maturity Notice Date:	[●]
(d)	CLN Maturity Date:	[15 Business Days] [*other*]
(e)	Accrual of Interest upon Credit Event:	[Applicable] [Not Applicable] [Not Applicable – Credit Linked Note Condition 19 will apply] (*Include if Tranched Portfolio CLNs*)
(f)	Calculation Agent responsible for making calculations and determinations in respect of the Notes:	[●]
(g)	Reference Entity(ies):	[●] Transaction Type: [●] Financial Reference Entity Terms: [Applicable] [Not Applicable] [Each Reference Entity contained in the Index and listed in the Relevant Annex (for which see below)] (*Include if the reference index is iTraxx®*) [As set out in the Relevant Annex (for which see below)] (*include if Tranched Portfolio CLNs or Linear Basket CLNs which are not referencing iTraxx®*)
(h)	Reference Obligation(s):	
	[Standard Reference Obligation:	[Applicable] [Not Applicable]
	[Seniority Level:	[Senior Level] [Subordinated Level]] [As specified in the Relevant Annex] (*include if Tranched Portfolio CLNs*) (*Include details of Reference Obligation(s) if Standard Reference Obligation does not apply*)
	[The obligation[s] identified as follows:	[●]
	Primary Obligor:	[●]
	Guarantor:	[●]
	Maturity:	[●]
	Coupon:	[●]
	CUSIP/ISIN:	[●]
	Listing venue:	[●]]
(i)	Calculation Agent Determination:	[Applicable] [Not Applicable]

(j)	Credit Event Backstop Date:	[Not] [Subject to adjustment for non-Business Days in accordance with Business Day Convention]
(k)	All Guarantees:	[As set forth in the Physical Settlement Matrix for the Transaction Type]/[Applicable] [Not Applicable] [In respect of each Reference Entity, as set out in the Physical Settlement Matrix for the relevant Transaction Type] (*include if Tranched Portfolio CLNs*)
(l)	Credit Events:	[As set forth in the Physical Settlement Matrix for the Transaction Type]/[Bankruptcy] [Failure to Pay] Payment Requirement: [●] [Grace Period Extension [Applicable] [Not Applicable] [If Applicable: Grace Period: [●] [Obligation Default] [Obligation Acceleration] [Repudiation/Moratorium] [Repudiation/Moratorium Extension Condition – delivery of Notice of Publicly Available Information] [Applicable] [Not Applicable]] [Restructuring Mod R: [Applicable] [Not Applicable] Mod Mod R: [Applicable] [Not Applicable]] [Governmental Intervention] Default Requirement: [●] - Provisions relating to Credit Event Notice after M(M)R Restructuring Credit Event: Credit Linked Note Condition 11 [Applicable] [Not Applicable] - Provisions relating to Multiple Holder Obligation: Credit Linked Note Condition 12 [Applicable] [Not Applicable] [In respect of each Reference Entity, as set out in the Physical Settlement Matrix for the relevant Transaction Type] (*include if Tranched Portfolio CLNs*)

		[*other*]
(m)	Notice of Publicly Available Information:	[Applicable] [Not Applicable] [*If Applicable:* Public Source(s): [●]] Specified Number: [●]] Notice Delivery Period: [[●] Business Days
(n)	Obligation(s):	
	Obligation Category:	[As set out in the Physical Settlement Matrix for the Transaction Type] [Payment]
	[*select one only*]:	[Payment] [Borrowed Money] [Reference Obligation Only] [Bond] [Loan] [Bond or Loan] [In respect of each Reference Entity, as set out in the Physical Settlement Matrix for the relevant Transaction Type] (*include if Tranched Portfolio CLNs*)
	Obligation Characteristics:	[As set out in the Physical Settlement Matrix for the Transaction Type]
	[*select all of which apply*]:	[Not Subordinated] [Specified Currency: [*specify currency*]] [Standard Specified Currency] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means: [*specify currency*]] [Not Domestic Law] [Domestic Law means: [*specify law*]] [Listed] [Not Domestic Issuance] [In respect of each Reference Entity, as set out in the Physical Settlement Matrix for the relevant Transaction Type] (*include if Tranched Portfolio CLNs*)

	Additional Obligation(s):	[●]
(o)	Excluded Obligation(s):	[●]
(p)	Redemption following a Merger Event:	Credit Linked Note Condition 10 [Applicable] [Not Applicable] (*If Applicable*) [Merger Event Redemption Amount: [●]] [Merger Event Redemption Date: [●]]
(q)	Unwind Costs:	[Standard Unwind Costs] [*specify other*] [Not Applicable]
(r)	Provisions relating to Monoline Insurer as Reference Entity:	Credit Linked Note Condition 14 [Applicable] [Not Applicable]
(s)	Provisions relating to LPN Reference Entities:	Credit Linked Note Condition 15 [Applicable] [Not Applicable]
(t)	Settlement Method:	[Cash Settlement] [Physical Settlement] [Auction Settlement]
(u)	Fallback Settlement Method:	[Cash Settlement] [Physical Settlement]
	Terms relating to Cash Settlement	
(v)	Credit Event Redemption Amount:	[[●] per Calculation Amount] [As set forth in the Credit Linked Note Conditions] [Not Applicable] (*include if Tranched Portfolio CLNs*)
(w)	Credit Event Redemption Date:	[●] Business Days [Not Applicable] (*include if Tranched Portfolio CLNs*)
(x)	Valuation Date:	[Single Valuation Date: [●] Business Days] [Multiple Valuation Dates: [●] Business Days; and each [●] Business Days thereafter Number of Valuation Dates: [●]] [Single Valuation Date, provided that the "Valuation Date" in respect of any Reference Obligation of a Reference Entity, shall be any Business Day falling on or before the 365th calendar day after the Event Determination Date or (following any Auction Cancellation Date or No Auction Announcement Date) after such Auction Cancellation Date or No Auction Announcement Date (as selected by the Calculation Agent in its sole discretion)] (*include if Tranched Portfolio CLNs*)

(y)	Valuation Time:	[●] [As per the Credit Linked Note Conditions]
(z)	Quotation Method:	[Bid] [Offer] [Mid-market] [As per the Credit Linked Note Conditions]
(aa)	Quotation Amount:	[●] [Representative Amount] [In respect of each obligation, an amount determined by the Calculation Agent in its sole and absolute discretion] (*include if Tranched Portfolio CLNs*)
(bb)	Minimum Quotation Amount:	[●] [As per the Credit Linked Note Conditions]
(cc)	Quotation Dealers:	[●] [As per the Credit Linked Note Conditions]
(dd)	Quotations:	[Include Accrued Interest] [Exclude Accrued Interest]
(ee)	Valuation Method:	[Market] [Highest] [Average Market] [Highest] [Average Highest] [Blended Market] [Blended Highest] [Average Blended Market] [Average Blended Highest]
(ff)	Provisions relating to Deliverable Obligations Portfolio Valuation:	Credit Linked Note Condition 16 [Applicable] [Not Applicable] [If Applicable: Benchmark Obligation: [Reference Obligation] [Other] (*N.B. Deliverable Obligation Category and Deliverable Obligation Characteristics should also be completed if Credit Linked Note Condition 16 applies*)]

Terms relating to Auction Settlement

(gg)	Auction Settlement Amount:	[●]
(hh)	Auction Settlement Date:	[Five Business Days] [*specify other*]
(ii)	Other terms or special conditions:	[●] [Not Applicable]

Terms relating to Physical Settlement

(jj)	Physical Settlement Period:	[●] Business Days
(kk)	Accrued Interest on Entitlement:	[Include Accrued Interest] [Exclude Accrued Interest]
(ll)	Settlement Currency:	[●]
(mm)	Deliverable Obligations:	

Deliverable Obligation Category	[As set out in the Physical Settlement Matrix for the Transaction Type] [Payment]
[*select one only*]:	[Borrowed Money]
	[Reference Obligation Only]
	[Bond]
	[Loan]
	[Bond or Loan]
	[In respect of each Reference Entity, as set out in the Physical Settlement Matrix for the relevant Transaction Type] (*include if Tranched Portfolio CLNs*)
Deliverable Obligation Characteristics	[As set out in the Physical Settlement Matrix for the Transaction Type]
[*select all of which apply*]:	[Specified Currency: [*specify currency*]]
	[Standard Specified Currency]
	[Not Sovereign Lender]
	[Not Domestic Currency]
	Domestic Currency means: [*specify currency*]]
	[Not Domestic Law]
	[Domestic Law means: [*specify law*]]
	[Listed]
	[Not Subordinated]
	[Not Domestic Issuance]
	[Assignable Loan]
	[Consent Required Loan]
	[Direct Loan Participation]
	[Qualifying Participation Seller: Applicable] [Not Applicable [*insert requirements*]]
	[Transferable]
	[Maximum Maturity: [●]]
	[Accelerated or Matured]
	[Not Bearer]
	[In respect of each Reference Entity, as set out in the Physical Settlement Matrix for the relevant Transaction Type] (*include if Tranched Portfolio CLNs*)

	Additional Deliverable Obligation(s):	[●]
(nn)	Excluded Deliverable Obligation(s):	[●]
(oo)	Indicative Quotations:	[Applicable] [Not Applicable]
(pp)	Credit Cut-Off Date:	[●]
(qq)	Guaranteed Cash Settlement Amount:	[As specified in Credit Linked Note Condition 5] [●][33]
(rr)	Delivery provisions for Entitlement if different from Physical Delivery Note Conditions:	[●] (*N.B. Physical Delivery Note Conditions are not applicable to BofA Finance Notes*)
(ss)	Additional Disruption Events:	Change in Law: [Applicable] [Not Applicable] Hedging Disruption: [Applicable] [Not Applicable] Increased Cost of Hedging: [Applicable] [Not Applicable]
(tt)	Nth-to-Default CLNs:	[Applicable] [Not Applicable]
	N:	[●]
	Substitution:	[Applicable] [Not Applicable]
	Credit Spread Requirement:	[●] (*N.B. if Substitution applicable*)
(uu)	Tranched Portfolio CLNs:	Credit Linked Note Condition 19 [Applicable] [Not Applicable] [*If Applicable*: Attachment Point: [●] Exhaustion Point: [●] Interest Calculation Method: [Not Applicable] [Weighted] (*Specify Weighted if the Interest Calculation Amount is the aggregate of the Outstanding Principal Amount with respect to each day during the Interest Period divided by the number of days in that Interest Period*) "Final Redemption Amount" means a *pro rata* amount per Calculation Amount, of the Outstanding Principal Amount on the Final Redemption Date (which may be zero). [Relevant Annex]: [As set out at Part [●] below] (*include where bespoke portfolio of Reference Entities is required*)

[33] Insert "Not Applicable" for Notes issued by BAC or Secured Notes issued by MLBV.

		[The list for the Index specified below with the Annex Date [●], as published by the Index Publisher (which can currently be accessed at http://www.markit.com)] (*include where the reference index is iTraxx®*) [Additional requirements where Relevant Annex references iTraxx®:] [Not Applicable] [Applicable] (*if applicable, complete and include the items below*) [Index: iTraxx Europe [●] Index Sponsor: International Index Company Ltd. or any successor thereto Index Publisher: Markit Group Limited or any replacement therefore appointed by the Index Sponsor for the purposes of officially publishing the Relevant Index]
(vv)	Linear Basket CLNs:	Credit Linked Note Condition 18 [Applicable] [Not Applicable] [*If Applicable:* [Reference Entity Notional Amount: [●]] (*include if this is not Aggregate Nominal Amount divided by the number of Reference Entities*) [Relevant Annex]: [As set out at Part [●] below] (*include where bespoke portfolio of Reference Entities is required*) [The list for the Index specified below with the Annex Date [●], as published by the Index Publisher (which can currently be accessed at http://www.markit.com)] (*include where the reference index is iTraxx®*) [Additional requirements where Relevant Annex references iTraxx®:] [Not Applicable] [Applicable] (*if applicable, complete and include the items below*) [Index: iTraxx Europe [●] Index Sponsor: International Index Company Ltd. or any successor thereto Index Publisher: Markit Group Limited or any replacement therefore appointed by the Index Sponsor for the purposes of officially publishing the Relevant Index]
(ww)	Subordinated European Insurance Terms:	[Applicable] [Not Applicable]

	(xx)	CoCo Provisions:	Credit Linked Note Condition 20 [Applicable] [Not Applicable] [*If Applicable:* Trigger Percentage: [As specified in Credit Linked Note Condition 20] [●]]
	(yy)	Sovereign No Asset Package Delivery:	Credit Linked Note Condition 21 [Applicable] [Not Applicable]
	(zz)	Additional Provisions for the Argentine Republic	Credit Linked Note Condition 22 [Applicable] [Not Applicable]
	(aaa)	Other terms or special conditions:	[●] [Not Applicable]
40.	Physical Delivery Notes:		[Applicable] [Not Applicable][34] (*N.B. Not applicable to Credit Linked Notes or BofA Finance Notes*) [Cash Settlement] [Physical Delivery] [Cash Settlement and/or Physical Delivery] (*If Cash Settlement and/or Physical Delivery specified, specify details for determining in what circumstances Cash Settlement or Physical Delivery will apply*) [The provisions of "Annex 10 - *Additional Terms and Conditions for Physical Delivery Notes*" shall apply.]
	(a)	Relevant Asset(s):	[●]
	(b)	Entitlement:	[●]
	(c)	Cut-Off Date:	[●]
	(d)	Guaranteed Cash Settlement Amount:	[As specified in Note Condition 3] [●] [Not Applicable][35]
	(e)	Failure to Deliver due to Illiquidity:	[Applicable] [Not Applicable]
	(f)	Delivery provisions for Entitlement if different from Physical Delivery Note Conditions:	[●]
	(g)	Settlement Business Day:	[●]
	(h)	Issuer's option to vary Settlement:	[Applicable] [Not Applicable]
	(i)	Other terms or special conditions:	[●] [Not Applicable]
41.	(a)	Preference Share Linked Conditions	[Applicable][Not Applicable]
	(b)	Specific Information Relating to the Preference Shares:	

[34] Insert "Not Applicable" for Preference Share Linked Notes

[35] Insert "Not Applicable" for Notes issued by BAC.

(i)	Preference Shares:	The Class [●] Preference Shares of the Preference Share Issuer ISIN/Identification Code: Not Applicable Listing: Not Applicable
(ii)	Preference Share Issuer:	Preface Holdings Limited
(iii)	Preference Share Underlyings:	[●]

PROVISIONS RELATING TO SECURED NOTES

42.	Secured Static/Floating Instruments Conditions:	[Applicable in accordance with Annex 13] [Not Applicable] (*If not applicable, delete the remaining provisions of this section.*)
(a)	Eligible Static Collateral Assets:	[Single Eligible Debt Security] / [Basket of Eligible Debt Securities] (*Insert the following sub-paragraphs if Single Eligible Debt Security is specified.*)
[-	Relevant Static Collateral ISIN:	[●]
-	Debt Security Issuer:	[●]] (*Insert the following table if a Basket of Eligible Debt Securities is specified.*)

Eligible Static Collateral Assets Table		
Debt Security Issuer(s)	Relevant Static Collateral ISIN	Eligible Debt Security Weighting
[●]	[●]	[●]%

[*Repeat rows as necessary*]

(b)	Collateral Valuation Currency:	[*specify*]
(c)	MTM Collateral Specified Percentage:	[*specify*]
(d)	Order of Priority:	[Standard Order of Priority as defined in Annex 13] [(a),[*specify alternative order of sub-paragraphs (b) – (e) as needed*]].
(e)	Physical Delivery of Static Collateral Assets:	[Applicable] [Not Applicable] (*N.B. In respect of any Secured Notes which are Rule 144A Notes, Physical Delivery of Static Collateral Assets shall not apply*)
(f)	Eligibility Criteria:	[Applicable. Only Initial MTM Collateral Assets are Eligible] [Applicable. In respect of each Eligible MTM Collateral Class, as specified in

the relevant row of the MTM Collateral Assets Table below:]

MTM COLLATERAL ASSETS TABLE	
Eligible MTM Collateral Class	**Margin Percentage**
[●]	[●]

[*Repeat rows as necessary*]

(g) Static Collateral Specified Percentage: [*specify*]

(h) Collateral Trigger Event: [Applicable] [Not Applicable]

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

[For the purposes of the definition of "Collateral Trigger Event" in Secured Static/Floating Instruments Condition 9.2 ["less than the Collateral Trigger Level"/"less than or equal to the Collateral Trigger Level"] is applicable.]

(i) Collateral Trigger Level: [*specify*]

(ii) Collateral Trigger Observation Day: [As specified in Secured Static/Floating Instruments Condition 9.2 / [*specify other*]

- Specified Business Hours: [As specified in Secured Static/Floating Instruments Condition 9.2 / [*specify other*]

(iii) Collateral Trigger Observation Period: [*specify*]

(iv) Relevant Screen Page; [*specify*]

43. Secured Fully Floating Instruments Conditions: [Applicable in accordance with Annex 14] [Not Applicable]

(*If not applicable, delete the remaining provisions of this section.*)

(a) Collateral Valuation at Nominal Value: [Applicable] [Not Applicable]

(b) Collateral Valuation Currency: [*specify*]

(c) Collateralisation Percentage: [*specify*]

(d) Order of Priority: [Standard Order of Priority as defined in Annex 14][(a),[specify alternative order of sub-paragraphs (b) – (e) as needed]].

(e) Physical Delivery of Collateral Assets: [Applicable] [Not Applicable]

(*N.B. In respect of any Secured Notes which are Rule 144A Notes, Physical Delivery of Collateral Assets shall not apply*).

(f) Eligibility Criteria: [Applicable. Only Initial Collateral Assets are Eligible] [Applicable. In respect of each Eligible

Collateral Class, as specified in the relevant row of the Collateral Assets Table below:]

COLLATERAL ASSETS TABLE		
Eligible MTM Collateral Class	**Margin Percentage**	[**Concentration Limit**]
[●]	[●]	[●]

[*Repeat rows as necessary*]

(g) Type of Collateralisation: [MV Collateralisation] [NV Collateralisation] [Min (MV, NV) Collateralisation] [Max (MV, NV) Collateralisation]

(h) MTM Trigger Event: [Applicable] [Not Applicable]

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

[For the purposes of the definition of "MTM Trigger Event" in Secured Fully Floating Instruments Condition 9.2, ["less than the MTM Trigger Level"/"less than or equal to the MTM Trigger Level"] is applicable.]

(i) MTM Trigger Level: [*specify*]

(ii) MTM Trigger Observation Day: [As specified in Secured Fully Floating Instruments Condition 9.2 / [*specify other*]

- Specified Business Hours: [As specified in Secured Fully Floating Instruments Condition 9.2 / [*specify other*]

(iii) MTM Trigger Observation Period: [*specify*]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

44. Form of Notes: [Euroclear/CBL Global Registered Note registered in the name of a nominee for [a common depositary for [Euroclear and Clearstream, Luxembourg]]/[a common safekeeper for [Euroclear and Clearstream, Luxembourg]] and exchangeable for Definitive Registered Notes in the limited circumstances described in the Global Note]

[Definitive Registered Notes]

[The Notes are eligible for sale in the United States to QIBs who are also QPs or to, or for the account or benefit of, U.S. Persons who are QIBs and also QPs]

[Regulation S/Rule 144A Global Note in registered form exchangeable for Definitive Registered Notes in the limited circumstances described in the Regulation S/Rule 144A Global Note] [Rule 144A Global Note in registered form exchangeable for Definitive Registered Note in

the limited circumstances described in the Rule 144A Global Note]

[The provisions of "Annex 11A – *Additional Terms and Conditions for Rule 144A Notes*" shall apply]

45. Eligibility for sale in the United States to QIBs who are also QPs or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs:

The Notes are [not] eligible for sale in the United States to QIBs who are also QPs, or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs.

[*Where Rule 144A Notes are eligible for sale (a) in the United States to QIBs who are also QPs, or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs, include the following*:

(a) [the Rule 144A Global Note will be held with [the U.S. Paying Agent as custodian for DTC] [the Common Depositary]]/[the Regulation S/Rule 144A Global Note will be held with the Common Depositary];

(b) the Notes [may] [may not] be sold concurrently outside the United States to non-U.S. persons [(such Notes to be represented by a Regulation S/Rule 144A Global Note and deposited with the Common Depositary)];

(c) any resale or other transfer of any beneficial interest in the Notes represented by the [Rule 144A Global Note] [Regulation S/Rule 144A Global Note] in the United States or to, or for the account or benefit of, a U.S. person may only be effected to or through the Issuer or the Dealer if such person is a QIB/QP that executes and delivers an Investor Representation Letter for the benefit of the Dealer, the Issuer and the Guarantor (if applicable) (together with their respective affiliates and any persons controlling, controlled by or under common control with such Dealer, Issuer or Guarantor (if applicable)) and subject to the satisfaction of certain other conditions for such Notes. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" in the Offering Circular;

(d) [*insert applicable U.S. selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in the Terms and Conditions*]; and

		(e) [*specify any amendments to the form of Asset Transfer Notice (the form of which is set out in a schedule to the English Law Agency Agreement*)].
46.	New Safekeeping Structure:	[Yes] [No]
47.	Payment Day:	[Following] [Modified Following]
48.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	[Not Applicable] [give details] (*Note that this item relates to the place of payment and not Interest Period end dates to which items 18(c) and 20(f) relate*)
49.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable] [give details]
50.	Details relating to Instalment Notes:	
	(a) Instalment Amount(s):	[Not Applicable] [*give details*]
	(b) Instalment Date(s):	[Not Applicable] [*give details*]
51.	Payment Disruption (Condition 6(F)):	[Applicable] [Not Applicable] [*if not applicable, delete the remaining provisions of this section.*]
	(a) Payment Disruption Event:	[Applicable] [Not Applicable] [*if not applicable, then may delete the following sub-paragraph*]
	– Base Currency/Subject Currency:	[As specified under paragraph 35] [*insert if FX Linked Provisions are not specified to be applicable*]
	(b) CNY Payment Disruption Event:	[Applicable] [Not Applicable] [*if not applicable, then may delete the following sub-paragraphs*]
	(i) CNY Settlement Centre:	[The Hong Kong Special Administrative Region] [●]]
	(ii) Date Postponement:	[Applicable] [Not Applicable]
	(iii) Payment of Equivalent Amount:	[Applicable] [Not Applicable] [*If Payment of Equivalent Amount is applicable, include the following*: Base Currency: [●] Equivalent Amount Settlement Rate: [As specified in Condition 6(F)] [*specify other*]
52.	Exchange Rate:	[Applicable] [Not Applicable] [*Insert details*]
53.	Other terms:	[Not Applicable] [*give details*] [JPY Rounding Up: Applicable]

		[JPY Rounding Down: Applicable]
54.	Alternative Rounding:	[Applicable] [Not Applicable] [*if not applicable, then may delete the following sub-paragraph*]
	Alternative Rounding Convention	[the nearest one hundred-thousandth of a percentage point (with 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655))] [ ]

DISTRIBUTION

55.	The initial purchasers and name of applicable permitted dealer in the United States of the Notes:	[The dealer for the Notes is [*name of applicable permitted dealer in the United States*], acting as principal. [*Name of applicable permitted dealer in the United States*] does not receive any compensation for the sales in which it participates.] [Not Applicable] (*Applicable where Rule 144A Notes are eligible for sale (a) in the United States to QIBs who are also QPs or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs*)]
56.	Method of distribution:	[Syndicated] [Non-syndicated]
57.	(a) If syndicated, names and addresses of Managers:	[Not Applicable] [*give names, and addresses*]
	(b) Date of Subscription Agreement:	[●]
	(c) Stabilising Manager(s) (if any):	[Not Applicable] [*give name(s)*]
58.	If non-syndicated, name and address of relevant Dealer:	[Not Applicable] [*give name and address*] [Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom] [BofA Securities Europe SA 51 rue La Boétie 75008 Paris France]
59.	Calculation Agent:	[Merrill Lynch International] [BofA Securities Europe SA] [*specify other*]
60.	Total commission and concession:	[[●] per cent. of the Aggregate Nominal Amount] [Not Applicable]
61.	U.S. Selling Restrictions:	[*Insert in the case of Notes other than Rule 144A Global Notes or Regulation S/Rule 144A Global Notes:* [Regulation S Compliance Category: 2; TEFRA D not applicable][36] [The Notes may not be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States of

[36] Insert for Notes issued by BAC or BofA Finance.

America (including the U.S. states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction or directly or indirectly offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered to, or for the account or benefit of, any U.S. person. A "**U.S. person**" has the meaning ascribed to it by Regulation S under the U.S. Securities Act of 1933, as amended.]][37]

[*Insert in the case of Rule 144A Global Notes:* The Notes are eligible for sale to qualified institutional buyers (as defined in Rule 144A of the U.S. Securities Act of 1933, as amended) who are also qualified purchasers (within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended) (a "**QIB**"/"**QP**"), and such Notes may only be subsequently offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, by such investors to a QIB/QP who executes an Investor Representation Letter and otherwise in compliance with Rule 144A.]

[*Insert in the case of Regulation S/Rule 144A Global Notes:* The Notes are eligible for sale either (a) in an offshore transaction to investors who are not U.S. persons, and such Notes may not be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or (b) to investors who are qualified institutional buyers (as defined in Rule 144A of the U.S. Securities Act of 1933, as amended (the "**Securities Act**")) and who are also qualified purchasers (within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended) (a "**QIB**"/"**QP**"), and such Notes may only be subsequently offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, by such investors to a QIB/QP who executes an Investor Representation Letter and otherwise in compliance with Rule 144A. A "**U.S. person**" has the meaning ascribed to it by Regulation S under the Securities Act.]

62. United States Tax Considerations: [The Notes are [not] "Structured Notes" for purposes of the discussion under "United States Federal Income Taxation" in the Offering Circular.] [Not Applicable][38]

63. United States Withholding Tax: [Except as set forth in "United States Federal Income Taxation" in the Offering Circular, the Issuer does not intend to withhold United States

[37] Insert for Notes issued by MLBV.

[38] Insert "Not Applicable" in the case of Notes issued by MLBV.

	federal income tax with respect to payments to United States Aliens.]/[The Issuer or its agent will withhold 30 per cent. of all payments of interest and other amounts subject to withholding, if any, and remit such withheld taxes to the United States Internal Revenue Service.] [Not Applicable][39]
64. Additional United States Tax considerations	[Not Applicable] [*give details*] Code Section 871(m): [Not Applicable]
65. Additional selling restrictions:	[Not Applicable] [*give details*]
66. Swiss Non-Exempt Public Offer:	[Not Applicable.][40] [Yes. If an obligation to prepare a supplement to the Offering Circular pursuant to article 56(1) of the Swiss Financial Services Act (FinSA) is triggered during the [Swiss Offer Period][subscription period], subscriptions may be withdrawn within two days of publication of the supplement. [An offer of the Securities may be made in Switzerland during the period from [(and including)][●] (*specify date*) to [(and including)] [●] (*specify date*)] (the "**Swiss Offer Period**")]. The Issuer gives specific consent to use the Offering Circular and these Final Terms [during the Swiss Offer Period] to the financial intermediary that is responsible for the primary offer of the Instruments in Switzerland and with whom the Issuer or any of its Affiliates has a contractual relationship in respect of such offer in Switzerland] [No. Neither these Final Terms nor the Offering Circular constitutes a prospectus within the meaning of the Swiss Financial Services Act and no such prospectus will be prepared.][41]

PURPOSE OF FINAL TERMS

These Final Terms comprise the Final Terms required for issue [and admission to trading on [specify relevant market (*for example, the Euro MTF of the Luxembourg Stock Exchange) and, if relevant, admission to an official list (for example, the Official List of the Luxembourg Stock Exchange*)]] of the Notes described herein pursuant to the Note, Warrant and Certificate Programme of Bank of America Corporation, BofA Finance LLC, Merrill Lynch B.V. and Merrill Lynch International & Co. C.V.

RESPONSIBILITY

[[Subject as provided below,] the Issuer accepts responsibility for the information contained in these Final Terms.] [The information relating to [●] [and [●]] contained herein has been accurately extracted from [*insert information source(s)*]. The Issuer accepts responsibility for the accuracy of such extraction but accepts no further or other responsibility in respect of such information.]

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39 Insert "Not Applicable" in the case of Notes issued by MLBV.

40 Insert “Not Applicable” in the case of Instruments which are not offered and sold into Switzerland.

41 Insert "Yes" in the case of Notes publicly offered in Switzerland to any type of investors. Insert "No" in the case of Notes offered under an exemption from the Swiss prospectus requirement (e.g., private placement, profession investors, issue size below CHF 8 mio.).

[[Each of the] [The] Issuer [and the Guarantor] confirms that the information contained in these Final Terms is to the best of its knowledge correct and that no material facts or circumstances have been omitted from the prospectus consisting of these Final Terms and the Offering Circular as supplemented as of the date hereof] [42]

Signed on behalf of the Issuer:

By: .....

Duly authorised

[42] Insert in respect of Notes for which "Swiss Non-Exempt Public Offer" is specified as "Yes"

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

[Application [has been]/[will be]/[is expected to be] made by the Issuer (or on its behalf) for the Notes to be [admitted to trading on the Euro MTF and listed on the Official List of the Luxembourg Stock Exchange] [*specify other listing or admission to trading*] [with effect from [●].] [Not Applicable.]

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

2. RATINGS

Ratings:	[The Notes have not been rated.] (*The above disclosure should be included in the event that the Notes have not been rated*) [The Notes to be issued have been rated: [Standard & Poor's Financial Services LLC: [●]] [Moody's Investors Service, Inc.: [●]] [[*Other*: [●]] [A rating is not a recommendation to buy, sell or hold the Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.]

3. OPERATIONAL INFORMATION

(i)	ISIN:	[●]
(ii)	Common Code:	[●]
(iii)	Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, S.A., The Depository Trust Company and the relevant identification number(s):	[Not Applicable] [*give name(s) and number(s)*] [*For CREST CDI Securities, insert the following language*: The Instruments will be deposited with a common depository for Euroclear and Clearstream, Luxembourg and will be accepted for settlement in Euroclear UK & Ireland Limited ("**CREST**") via the CREST Depository Interest ("**CDI**") mechanism.]
(iv)	Delivery:	Delivery [against] [free of] payment
(v)	Names and addresses of initial Paying Agents:	[Bank of America, N.A. (operating through its London Branch) 2 King Edward Street London EC1A 1HQ United Kingdom][43]

[43] Include in the case of all Notes.

		[Bank of America, N.A. 135 South LaSalle Street Chicago, IL 60603 United States of America][44]
(vi)	Registrar:	[Bank of America Europe DAC Block D, Central Park Leopardstown D18 N924 Ireland][45]
(vii)	Names and addresses of additional Paying Agent(s) (if any):	[●]
(viii)	Intended to be held in a manner which would allow Eurosystem eligibility.	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to 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 (i.e. held under the New Safekeeping Structure (the "**NSS**")), 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 the Eurosystem eligibility criteria have been met.] [No. However, if after the date of these Final Terms, the Eurosystem eligibility criteria are amended such that the Notes are capable of meeting such criteria, 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 (i.e. held under the New Safekeeping Structure (the "**NSS**")). 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 European Central Bank being satisfied that the Eurosystem eligibility criteria have been met.] [The European Central Bank ("**ECB**") has published on its webpage information on its collateral eligibility criteria. Among other criteria, the information published by the ECB indicates that, effective as of 8 February 2018, unsecured debt instruments issued by credit institutions, or their closely-linked entities, such as [Bank of America Corporation] [BofA Finance LLC], that are not established in the EU member states are not Eurosystem eligible.

[44] Include in the case of Rule 144A Notes.

[45] Include in the case of all Registered Notes.

Therefore, as of the date of these Final Terms, the Notes will not be recognised as eligible collateral for Eurosystem monetary and intraday credit operations.] [46]

[46] Include if "Yes" has been included above but the ECB criteria states that unsecured debt instruments issued by credit institutions, or their closely-linked entities that are not established in the EU member states are not Eurosystem eligible (which is the case as at the date of the Offering Circular).

[Schedule - Index Disclaimer

[*Include applicable disclaimer, if any*]]

[**ANNEX – REFERENCE PORTFOLIO**] (*include if (i) reference is not made to a Relevant Annex or (ii) if preferred for the purposes of disclosure*)

Reference Entity	**Reference Obligation Primary Obligor (Issuer)**	**Reference Obligation Guarantor (if any)**	**Reference Obligation ISIN**	**Reference Obligation Maturity**	**Reference Obligation Coupon (%)**	**Transaction Type**	**Reference Entity Weighting (%)**
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

[*insert only for Swiss Non-Exempt Public Offers*]

SUMMARY

INTRODUCTION AND WARNINGS
This Summary should be read as an introduction to these Final Terms. Any decision to invest in the Notes should be based on consideration of the Offering Circular (which includes the documents incorporated by reference therein) and these Final Terms as a whole by the investor. Any liability for information contained in this Summary is limited to cases where this Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Final Terms and the Offering Circular. **The Notes do not constitute a participation in a collective investment scheme in the meaning of the Swiss Collective Investment Schemes Act and are not licensed by the Swiss Financial Market Supervisory Authority ("FINMA") thereunder. Accordingly, neither the Notes nor holders of the Notes benefit from protection under the Swiss Collective Investment Schemes Act or supervision by FINMA and investors are exposed to the credit risk of the Issuer [and Guarantor].** This Summary has been prepared and is being provided solely for the purpose of an offer of the Notes in Switzerland pursuant to the Swiss Financial Services Act ("**FinSA**") and it must not be used for any other purpose or in any other context than for which it is prepared and provided. This Summary does not apply to, must not be used for or in connection with, and does not constitute, any offer or invitation for subscription of the Instruments to, or any solicitation by, any person in any jurisdiction other than Switzerland. **You are about to purchase a product that is not simple and may be difficult to understand.**
KEY INFORMATION ON THE SECURITIES
The Issuer: [BofA Finance LLC ("**BofA Finance**") BofA Finance is a Delaware limited liability company and a direct, wholly-owned finance subsidiary of BAC. BofA Finance was formed on 24 June 2016. BofA Finance LLC exists until it is dissolved and liquidated and its Certificate of Formation is canceled in accordance with Section 18-203 of the Delaware Limited Liability Company Act. BofA Finance is registered with the State of Delaware Secretary of State, Division of Corporations, under registration number 6078455. BofA Finance's registered office in Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801. BofA Finance's principal executive offices are located in the Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255, United States. The LEI in respect of BofA Finance is 549300CGZYSEY3ZSIW16.] Merrill Lynch B.V. ("**MLBV**") MLBV is a private limited liability company incorporated under Dutch law. MLBV was incorporated on 12 November 2012 as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law. MLBV continues to exist until it is dissolved and liquidated in accordance with the relevant provision of the Dutch Civil Code. MLBV's registered office is at Amstelplein 1, Rembrandt Tower, 27th Floor, 1096 HA Amsterdam, the Netherlands and it is registered with the Trade Register of the Dutch Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) in Amsterdam, the Netherlands, under number 56457103. The LEI in respect of MLBV is 549300RQ1D1WIE085245.
[insert if notes are guaranteed by BAC][***The Guarantor***: Bank of America Corporation ("**BAC**"). BAC is a Delaware corporation, a bank holding company and a financial holding company. BAC was incorporated on 31 July 1998 (existing until it is dissolved). BAC was initially registered with the State of Delaware, Secretary of State, Division of Corporations on 31 July 1998 under registration number 2927442. BAC's registered office in Delaware is at the Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, United States. BAC's headquarters and principal place of business are located at 100 North Tryon Street, Charlotte, North Carolina 28255, United States. The LEI in respect of BAC is 9DJT3UXIJIZJI4WXO774.]

Product name: [Up to] [*insert aggregate nominal/notional amount or number of notes*] [*insert name of notes*] issued under the Notes, Warrants and Certificates Programme of Bank of America Corporation (the "**Notes**").
Product identifier: ***ISIN:*** [*insert*] ***SSPA Product Type***: [insert] with additional feature(s): [insert] *(Further information is available at https://www.sspa.ch)*
Issue Date: [*insert*]
[Maturity Date][Redemption Date and Settlement Date][Settlement Date]: [insert]
Reference Items: [*insert*]
[Settlement Currency: [*insert*]]
[Settlement Method: [Cash Settlement] [Physical Settlement] [Auction Settlement][others]]
KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC
Issue Price: [*Insert if trading in nominal*] [*insert*]% of the aggregate nominal amount] [*Insert if trading in units*] [*insert currency*][*insert*] per Note]
[*Insert if applicable*][***Subscription Period***: From and including [*insert*] to and including [*insert*]]
Public Offer Jurisdiction: Switzerland
The Instruments will not be admitted to trading on any trading venue in Switzerland
Selling Restrictions: *U.S. Selling Restrictions*: [insert language as per item 62 above] *EEA selling restrictions*: Applicable *UK selling restrictions*: Applicable [The Notes may not be offered, sold or otherwise made available to any retail investors in the European Economic Area.] [The Notes may not be offered, sold or otherwise made available to any retail investors in the United Kingdom.] *Additional selling restrictions*: [Not Applicable] [insert]

TERMS AND CONDITIONS OF THE NOTES

*The following are the "Terms and Conditions of the Notes" which will be endorsed on, incorporated by reference into or attached to each Global Note (as defined below) and each individual note certificate (an "**Individual Note Certificate**") representing a Registered Note (as defined below) in definitive form (a "**Definitive Registered Note**"), and in the case of Individual Note Certificates only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer, as applicable, and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Individual Note Certificate will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (as defined below) in relation to any Tranche (as defined below) of Notes may specify other terms and conditions (including the Additional Terms and Conditions described below) which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and Individual Note Certificate, as applicable.*

This Note is one of a Series (as defined below) of notes (the "**Notes**") issued by whichever of Bank of America Corporation ("**BAC**"), BofA Finance LLC ("**BofA Finance**") or Merrill Lynch B.V. ("**MLBV**") is specified as the Issuer in the applicable Final Terms (the "**Issuer**"), and references to the Issuer shall be construed accordingly.

References herein to the "Notes" shall be references to the Notes of a Series and shall mean:

(a) in relation to any Registered Note represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;

(b) any Global Note; and

(c) any Definitive Registered Notes issued in exchange for a Global Note.

References herein to a Global Note shall include any Euroclear/CBL Global Registered Note, (as defined below) in respect of a Series of Notes.

Notes issued by BAC and BofA Finance have the benefit of a New York Law Agency Agreement dated 13 May 2022 (such agency agreement as amended and/or supplemented and/or restated from time to time, the "**New York Law Agency Agreement**") which is governed by the laws of the State of New York and made among BAC, in its capacity as Issuer and as Guarantor, BofA Finance, in its capacity as Issuer, Bank of America, N.A. (operating through its London Branch) as principal paying agent (the "**Principal Paying Agent**"), Bank of America Europe DAC as registrar (the "**Registrar**") and the other agents named therein.

Any additional or successor paying agents appointed under the New York Law Agency Agreement, together with the Principal Paying Agent, are referred to herein as the "**BAC/BofA Finance Paying Agents**".

Notes issued by MLBV have the benefit of an Amended and Restated English Law Agency Agreement dated 13 May 2022 (such agency agreement as amended and/or supplemented and/or restated from time to time, the "**English Law Agency Agreement**" and, together with the New York Law Agency Agreement, the "**Agency Agreements**") which is governed by English law and made among MLBV, in its capacity as Issuer, Merrill Lynch International & Co. C.V., in its capacity as Issuer, BAC in its capacity as Guarantor, the Principal Paying Agent, Bank of America, N.A. as U.S. paying agent (the "**U.S. Paying Agent**"), the Registrar and the other agents named therein.

Any additional or successor payment agents appointed under the English Law Agency Agreement, together with the Principal Paying Agent and the U.S. Paying Agent, are referred to herein as the "**MLBV Paying Agents**". The BAC/BofA Finance Paying Agents and the MLBV Paying Agents are referred to herein as the "**Paying Agents**".

References herein to the "**applicable Agency Agreement**" shall mean (i) the New York Law Agency Agreement, in the case of Notes issued by BAC or BofA Finance, or (ii) the English Law Agency Agreement, in the case of Notes issued by MLBV, as applicable.

References herein to the "**Agents**" are to the Registrar and the Paying Agents and any reference to an "**Agent**" is to any one of them.

The applicable Final Terms (the "**Final Terms**") for the Notes (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to, endorsed on or constituting a part of the Note which supplement these Terms and Conditions (the "**Terms and Conditions**", or the "**Conditions**") and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of the Note. References to the "**applicable Final Terms**" are to Part A of the Final Terms (or the relevant provisions thereof) attached to, endorsed on or constituting a part of the Note.

The additional Terms and Conditions (the "**Additional Terms and Conditions**") contained in Annex 1 in the case of Index Linked Notes (together with Annex 16 where Index-Linked Futures Contracts are referenced), Annex 2 in the case of Share Linked Notes, Annex 4 in the case of GDR/ADR Linked Notes, Annex 5 in the case of FX Linked Notes, Annex 6 in the case of Commodity Linked Notes, Annex 7 in the case of Fund Linked Notes, Annex 8 in the case of Inflation Linked Notes, Annex 9A in the case of Credit Linked Notes, Annex 10 in the case of Physical Delivery Notes, Annex 11A in the case of Rule 144A Notes, Annex 13 or Annex 14 in the case of Secured Notes (each as defined below), Annex 15 in the case of Preference Share Linked Notes and/or Annex 17 in the case of Notes for which "Floating Rate Note Provisions" is specified as applicable in the applicable Final Terms will apply to, and form part of the Terms and Conditions of the Notes if and to the extent specified in the applicable Final Terms.

The payment of principal, interest and all other amounts payable and/or delivery of non-cash consideration deliverable in respect of the Notes (other than Secured Notes) issued by MLBV are unconditionally and irrevocably guaranteed by BAC (in such capacity, the "**Guarantor**") pursuant to a guarantee (the "**MLBV/MLICo. Guarantee**") dated 13 May 2022 executed by BAC. The payment of principal, interest and all other amounts payable in respect of the Notes issued by BofA Finance are unconditionally and irrevocably guaranteed by the Guarantor pursuant to a guarantee (the "**BofA Finance Guarantee**" and, together with the MLBV/MLICo. Guarantee, the "**Guarantees**" and each, a "**Guarantee**") dated 13 May 2022 executed by BAC. The original of each Guarantee is held by the Principal Paying Agent on behalf of the Holders of the Notes (other than Secured Notes (as defined below)) issued by MLBV or BofA Finance, as the case may be, at its specified office. For the avoidance of doubt, the Secured Notes issued by MLBV are not guaranteed by BAC, and Holders of such Secured Notes will not be able to claim under the terms of the MLBV/MLICo. Guarantee for any unpaid amounts and any such shortfall will not constitute an unsecured claim by such Holder of Secured Notes against the Guarantor.

Any reference to "**Noteholders**" or "**Holders**" shall mean the person in whose name a Registered Note is registered and in relation to any Notes represented by a Global Note.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates (if applicable) and/or Issue Prices (each as defined below).

The Holders of the Notes issued by MLBV and held through Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") are entitled to the benefit of the Notes Deed of Covenant (the "**MLBV Notes Deed of Covenant**") dated 13 May 2022 and made by MLBV. The original of the MLBV Notes Deed of Covenant is held by a common depositary for Euroclear and Clearstream, Luxembourg (each as defined below) (the "**Common Depositary**"). For the avoidance of doubt, Holders of Notes issued by MLBV and held through The Depository Trust Company ("**DTC**") are not entitled to the benefit of the direct rights under the MLBV Notes Deed of Covenant.

Copies of the New York Law Agency Agreement are available for viewing and can be obtained during normal business hours at the specified office of each BAC/BofA Finance Paying Agent. Copies of the English Law Agency Agreement and the MLBV Notes Deed of Covenant are available for viewing and can be obtained during normal business hours at the specified office of each of the MLBV Paying Agents. Copies of the BofA Finance Guarantee and the MLBV/MLICo. Guarantee are available for viewing and can be obtained during normal business hours at the specified offices of the Principal Paying Agent. Copies of the applicable Final Terms are available for viewing and can be obtained during normal

business hours at the specified office of the relevant Dealer and the applicable Paying Agents only by a Holder (as defined in Condition 1 or "Annex 11A – *Additional Terms and Conditions for Rule 144A Notes*" as applicable) holding one or more Notes and such Holder must produce evidence satisfactory to the Issuer or the relevant Paying Agent as to its holding of such Notes and identity. The Offering Circular and, in the case of Notes admitted to trading on the Luxembourg Stock Exchange's Euro MTF, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). Final Terms relating to Notes listed and/or admitted to trading on any other stock exchange or market will be published in accordance with the rules and regulations of such stock exchange or market.

The Noteholders are deemed to have notice of, are entitled to the benefit of and are bound by all the provisions of the applicable Agency Agreement, the relevant Guarantee (if applicable), the MLBV Notes Deed of Covenant (if applicable) and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the applicable Agency Agreement.

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

1. **Form, Denomination and Title**

The Notes will be issued in registered form ("**Registered Notes**") and, in the case of Individual Note Certificates, serially numbered, in the Specified Currency and the Specified Denomination(s) specified in the applicable Final Terms subject to compliance with all applicable legal and regulatory requirements. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination, or subdivided or reissued in a smaller denomination.

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes, Inflation Linked Interest Notes, interest bearing Credit Linked Notes or a combination of any of the foregoing, or the Notes may be Preference Share Linked Notes, depending on the Interest Basis specified in the applicable Final Terms.

The Notes may be Instalment Notes, Partly Paid Notes, Index Linked Redemption Notes (together with Index Linked Interest Notes, "**Index Linked Notes**"), Share Linked Redemption Notes (together with Share Linked Interest Notes, "**Share Linked Notes**"), GDR/ADR Linked Redemption Notes (together with GDR/ADR Linked Interest Notes, "**GDR/ADR Linked Notes**"), FX Linked Redemption Notes (together with FX Linked Interest Notes, "**FX Linked Notes**"), Commodity Linked Redemption Notes (together with Commodity Linked Interest Notes, "**Commodity Linked Notes**"), Fund Linked Redemption Notes (together with Fund Linked Interest Notes, "**Fund Linked Notes**"), Inflation Linked Redemption Notes (together with Inflation Linked Interest Notes, "**Inflation Linked Notes**"), Credit Linked Notes, or a combination of any of the foregoing , or the Notes may be Preference Share Linked Notes, depending upon the Redemption/Payment Basis specified in the applicable Final Terms. The Notes issued by MLBV may be secured by a segregated pool of Collateral Assets (the "**Secured Notes**").

If the applicable Final Terms specify "Physical Delivery Notes" to be applicable, the Note may be redeemed by delivery of the Entitlement, and "Annex 10 – *Additional Terms and Conditions for Physical Delivery Notes*" shall apply.

Subject as set out below, title to Registered Notes shall, subject to mandatory rules of law, pass by registration in the Register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the applicable Agency Agreement.

For so long as any of the Notes are represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg 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 or proven error) shall be treated by the Issuer, the Guarantor (in the case of Notes (other than Secured Notes) issued by MLBV and Notes issued by BofA Finance), the Registrar and the Paying Agents, as applicable, as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal, premium (if any) or interest or any other amounts payable on, or (if applicable) deliveries in respect of, such nominal amount of such Notes, for which purpose the registered holder of the relevant Global Note shall be treated by the Issuer, the Guarantor (in the case of Notes (other than Secured Notes) issued by MLBV or Notes issued by BofA Finance), the Registrar and any Paying Agent, as applicable, as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note (and the expression "**Holder**" and related expressions shall be construed accordingly).

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Paying Agent from time to time and notified to the Noteholders in accordance with Condition 14 (*Notices*).

Definitions

As used in the Terms and Conditions, the following expressions have the following meanings:

"**Commodity Linked Interest Notes**" means any Notes in respect of which the "Interest linked to one or more Reference Item(s) provisions" are specified to be applicable and the "Interest Basis" is specified to be "Commodity Linked" in the applicable Final Terms.

"**Commodity Linked Redemption Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "Commodity Linked" in the applicable Final Terms.

"**Credit Linked Notes**" means any Notes in respect of which the Additional Terms and Conditions set forth in "Annex 9A – *Additional Terms and Conditions for Credit Linked Notes*" are specified as being applicable in the applicable Final Terms.

"**Euroclear/CBL Global Registered Note**" means a global note in registered form held on behalf of Euroclear and Clearstream, Luxembourg.

"**Fund Linked Interest Notes**" means any Notes in respect of which the "Interest linked to one or more Reference Item(s) provisions" are specified to be applicable and the "Interest Basis" is specified to be "Fund Linked" in the applicable Final Terms.

"**Fund Linked Redemption Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "Fund Linked" in the applicable Final Terms.

"**FX Linked Interest Notes**" means any Notes in respect of which the "Interest linked to one or more Reference Item(s) provisions" are specified to be applicable and the "Interest Basis" is specified to be "FX Linked" in the applicable Final Terms.

"**FX Linked Redemption Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "FX Linked" in the applicable Final Terms.

"**GDR/ADR Linked Interest Notes**" means any Notes in respect of which the "Interest linked to one or more Reference Item(s) provisions" are specified to be applicable and the "Interest Basis" is specified to be "GDR/ADR Linked" in the applicable Final Terms.

"**GDR/ADR Linked Redemption Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "GDR/ADR Linked" in the applicable Final Terms.

"**Index Linked Interest Notes**" means any Notes in respect of which the "Interest linked to one or more Reference Item(s) provisions" are specified to be applicable and the "Interest Basis" is specified to be "Index Linked" in the applicable Final Terms.

"**Index Linked Redemption Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "Index Linked" in the applicable Final Terms.

"**Inflation Linked Interest Notes**" means any Notes in respect of which the "Interest linked to one or more Reference Item(s) provisions" are specified to be applicable and the "Interest Basis" is specified to be "Inflation Linked" in the applicable Final Terms.

"**Inflation Linked Redemption Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "Inflation Linked" in the applicable Final Terms.

"**Preference Share Linked Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "Preference Share Linked" in the applicable Final Terms.

"**Register**" means the relevant register held by the Registrar in respect of Registered Notes.

"**Share Linked Interest Notes**" means any Notes in respect of which the "Interest linked to one or more Reference Item(s) provisions" are specified to be applicable and the "Interest Basis" is specified to be "Share Linked" in the applicable Final Terms.

"**Share Linked Redemption Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "Share Linked" in the applicable Final Terms.

2. **Exchange and Transfer of Notes**

(A) *Exchange of Notes*

In the case of an exchange of a Global Note for one or more Individual Note Certificates, the Registrar will reflect any such exchange on the Register, and one or more new Individual Note Certificates will be issued to the designated transferee or transferees by the Principal Paying Agent.

(B) *Notes held in Euroclear and Clearstream, Luxembourg*

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, as the case may be.

(C) *Transfer of Definitive Registered Notes and Global Notes*

Subject to Condition 2(F) (*Closed Periods*), transfers of Definitive Registered Notes or Global Notes are effected upon the surrender (at the specified office of the Principal Paying Agent) of the Individual Note Certificates or Global Note, as applicable, to be transferred together with the form of transfer endorsed on such Individual Note Certificates or Global Note, as applicable (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 by the person shown as the registered holder on the Register, or its attorney duly authorised in writing, and such other evidence as the Principal Paying Agent may reasonably require. The Registrar will reflect any such transfer on the Register in respect of the holding being transferred. In the case of the transfer of all of a holding of Notes represented by one Individual Note Certificate or Global Note, as applicable, the Principal Paying Agent will cancel the Individual Note Certificate or Global Note, as applicable, surrendered by the transferor, and one new Individual Note Certificate or Global Note, as applicable, will be issued to

the designated transferee (following the transferee's surrender of any existing Individual Note Certificate or Global Note, as applicable, in respect of Notes of that Series). In the case of a transfer of part only of a holding of Notes represented by one Individual Note Certificate, a new Individual Note Certificate will be issued to the designated transferee (following the transferee's surrender of any existing Individual Note Certificate in respect of Notes of that Series) and a further new Individual Note Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Definitive Registered Notes of a Series to a transferee who is already a Holder of such Series, a new Individual Note Certificate representing the enlarged holding shall only be issued against surrender of the Individual Note Certificate representing the existing holding. No beneficial owner of an interest in a Global Note will be able to transfer such interest, except as described above in Condition 2(B) (*Exchange and Transfer of Notes – Notes held in Euroclear and Clearstream, Luxembourg*).

(D) *Exercise of Options or Partial Redemption in Respect of Notes*

In the case of an exercise of an Issuer Call or Investor Put in respect of, or a partial redemption of, a holding of Notes represented by a Global Note, the Registrar shall make such entries in the Register to reflect the exercise of such option or in respect of the balance of the holding not redeemed.

In the case of an exercise of an Issuer Call or Investor Put in respect of, or a partial redemption of, a holding of Definitive Registered Notes represented by a single Individual Note Certificate, a new Individual Note Certificate shall be issued to the Holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Definitive Registered Notes of the same holding having different terms, separate Individual Note Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Individual Note Certificates shall only be issued against surrender of the existing Individual Note Certificate to the Principal Paying Agent.

(E) *Delivery of New Individual Note Certificates and Global Notes*

Each new Individual Note Certificate or Global Note to be issued pursuant to this Condition 2 (*Exchange and Transfer of Notes*) shall be available for delivery within three Business Days of receipt of the form of transfer and surrender of the Individual Note Certificate or Global Note, as applicable, for exchange. Delivery of the new Individual Note Certificate(s) or Global Note, as applicable, shall be made at the specified office of the Principal Paying Agent to whom delivery or surrender of such request for exchange, form of transfer, or Individual Note Certificate or Global Note shall have been made or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Individual Note Certificate or Global Note (as applicable) to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Principal Paying Agent the costs of such other method of delivery and/or such insurance as it may specify.

(F) *Closed Periods*

No Holder may require the transfer of Notes to be registered:

(a) during the period beginning on the Record Date and ending on the due date for redemption of, or payment of any Instalment Amount, or amount of interest, in respect of, that Note;

(b) during the period beginning on the Record Date and ending on the date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 7(D) (*Redemption, Repayment and Repurchase – Redemption at the Option of the Issuer (Issuer Call)*);

(c) after any such Note has been called for redemption;

(d) during the period beginning on the Record Date and ending on the date fixed for any meeting of Noteholders, or any adjourned meeting of Noteholders;

(e) during the period of seven calendar days ending on (and including) any Record Date; or

(f) if the Registrar learns that the proposed transfer or exchange would violate any legend contained on the face of such Global Note or Individual Note Certificate.

Unless otherwise specified, as used herein "**Record Date**" means (i) in respect of any Definitive Registered Notes, the close of business (London time) on the 15th calendar day and (ii) in respect of any Global Notes, the close of business on the Relevant Clearing System Business Day, in each case, prior to the applicable due date for redemption of a Note, or the payment of any Instalment Amount or amount of interest in respect of a Note, or the date fixed for any meeting, or adjourned meeting, of holders of Notes, where "**Relevant Clearing System Business Day**" means a day on which the relevant clearing system through which the Notes are held is open for business.

For the avoidance of doubt, this Condition 2(F) (*Exchange and Transfer of Notes - Closed Periods*) shall not apply to or restrict the Issuer's ability to purchase an outstanding Series of Notes pursuant to Condition 7(L) (*Redemption, Repayment and Repurchase - Repurchases*).

(G) *Exchange or Transfer Free of Charge*

Exchange and transfer of Notes on registration, transfer, partial redemption, partial repayment, settlement or exercise of an option (as applicable) shall be effected without charge by or on behalf of the Issuer or the Principal Paying Agent, but upon payment by the Holder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Principal Paying Agent may require).

3. Status of the Notes and the Guarantees

(A) *Status of the Notes and Guarantees*

Other than Secured Notes, the Notes issued by MLBV constitute direct, unsubordinated, unconditional and unsecured obligations of MLBV and rank equally among themselves and rank equally (subject to exceptions as are from time to time provided by applicable laws and regulations) with all other present and future direct, unsubordinated, unconditional and unsecured obligations of MLBV.

The Notes issued by BofA Finance will be unsecured and unsubordinated obligations of BofA Finance and will rank equally in right of payment with all of BofA Finance's other unsecured and unsubordinated obligations from time to time outstanding, except obligations that are subject to any priorities or preferences by law.

In respect of Notes issued by BofA Finance or MLBV, the obligations of the Guarantor under the relevant Guarantee, save for such exceptions as may be provided by applicable laws and regulations or judicial order, will rank *pari passu* with its other present and future unsecured and unsubordinated obligations.

The Notes issued by BAC will be unsecured and unsubordinated obligations of BAC and will rank equally in right of payment with all of BAC's other unsecured and unsubordinated obligations from time to time outstanding, except obligations, including deposit liabilities, that are subject to any priorities or preferences by law.

(B) *Terms of the Guarantees*

In accordance with, and subject to the terms of, the MLBV/MLICo. Guarantee, the Guarantor has unconditionally and irrevocably guaranteed to the holders of Notes (other than Secured Notes) issued by MLBV, (i) the due and punctual payment of any and all amounts payable by MLBV as obligor in respect of the Notes issued by MLBV and (ii)

subject as provided below, the due and punctual delivery of non-cash consideration deliverable by MLBV in respect of the Notes issued by MLBV, if applicable, when and as the same shall become due and payable or when the same shall become due for delivery pursuant to the Conditions and to the extent provided in the Guarantee. As more fully set forth in the MLBV/MLICo. Guarantee, the Guarantor shall at all times have the right, at its sole and unfettered discretion, to elect not to deliver or procure delivery of the Entitlement to the Holders of Physical Delivery Notes issued by MLBV when the same shall become due and deliverable, but, in lieu thereof, to pay an amount in cash equal to the Guaranteed Cash Settlement Amount. The "**Guaranteed Cash Settlement Amount**" in respect of each Note issued by MLBV means an amount calculated pursuant to the terms of, or as specified in, the applicable Final Terms (or, in respect of each Credit Linked Note, as set out in Credit Linked Note Condition 5 (*Physical Settlement*) of "Annex 9A – *Additional Terms and Conditions for Credit Linked Notes*") or, if not specified in the applicable Final Terms, an amount equal to the fair market value of the Entitlement in respect of such Note on any date notified as such by the Guarantor to MLBV and the Calculation Agent, less the cost to MLBV and/or its Affiliates or agents of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), all as determined by the Guarantor in its sole and absolute discretion. Any payment of the Guaranteed Cash Settlement Amount in lieu of the Entitlement shall constitute a complete discharge of the Guarantor's obligations in respect of such Physical Delivery Notes.

In accordance with, and subject to the terms of, the BofA Finance Guarantee, the Guarantor has unconditionally and irrevocably guaranteed to the holders of Notes issued by BofA Finance, the due and punctual payment of any and all amounts payable by BofA Finance as obligor in respect of the Notes issued by BofA Finance.

4. Redenomination

(A) *Redenomination*

If the country issuing the currency that is the Specified Currency or Settlement Currency, as applicable, for a Series of notes becomes, or announces its intention to become, a member state of the European Union which adopts the euro as its lawful currency in accordance with the Treaty Establishing the European Community, as amended from time to time (such treaty, the "**EC Treaty**" and such member state, a "**Participating Member State**"), the Issuer may, without the consent of the Noteholders on giving prior notice to the Principal Paying Agent, Euroclear and Clearstream, Luxembourg and at least 30 calendar days' prior notice to the Noteholders in accordance with Condition 14 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

(a) the Notes shall be deemed to be redenominated in euro in the denomination of €0.01 with a nominal amount for each Note equal to the nominal amount of that Note in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Principal Paying Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed, and the Paying Agents of such deemed amendments;

(b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;

(c) if Definitive Registered Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer, in the denominations of €1,000, €10,000, €100,000 and (but only to the extent of any remaining amounts less than €1,000 or such smaller denominations as the Principal Paying Agent may approve) €0.01 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders;

(d) after the Redenomination Date, all payments in respect of the Notes, other than payments of interest (if any) in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and

(e) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:

(i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and

(ii) in the case of Definitive Registered Notes, by applying the Rate of Interest to the Calculation Amount,

(iii) and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In connection with such redenomination, the Issuer, after consultation with the Principal Agent, may make such other changes to the Conditions applicable to the relevant Notes, including, without limitation, with respect to any Business Day, Day Count Fraction, or other conventions as it may decide, so as to conform them to the then market practice in respect of euro-denominated debt securities issued in the Euromarkets, which are held in international clearing systems.

Any such changes will not take effect until the next following Interest Payment Date (in the case of interest bearing Notes) or the specified date (in the case of Zero Coupon Notes), as applicable, after the Noteholders have been given notice in accordance with Condition 14.

The circumstances and consequences described in this Condition 4 and any resulting amendment to the Conditions of the Notes will not entitle any Noteholder (i) to any legal remedy, including, without limitation, redemption, rescission, notice, repudiation, adjustment, or renegotiation of the Notes, or (ii) to raise any defence or make any claim (including, without limitation, claims of breach, force majeure, frustration of purpose, or impracticability) or any other claim for compensation, damages or any other relief.

(B) *Definitions*

In the Terms and Conditions, the following expressions have the following meanings:

"**Established Rate**" means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable

European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

"**euro**" means the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time).

"**Redenomination Date**" means (in the case of interest-bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 4(A) (*Redenomination*) above and which falls on or after the date on which the country of the Specified Currency first becomes a Participating Member State.

5. **Interest**

(A) *Day Count Fraction*

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 5 (*Interest*):

(a) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

(i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest were payable in respect of the whole of that year; or

(ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest were payable in respect of the whole of that year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest were payable in respect of the whole of that year;

(b) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(c) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(d) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(e) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(f) if "**30/360 (ICMA)**" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;

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

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

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

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30; or

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

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest 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 D_2 will be 30.

In these Terms and Conditions:

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to any currency other than euro and U.S. Dollars, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro and U.S. Dollars, one cent.

(B) *Interest on Fixed Rate Notes*

Except as provided in the applicable Final Terms, each Fixed Rate Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date or any other date specified for redemption.

Except as provided in the applicable Final Terms, if a Fixed Coupon Amount is specified in the applicable Final Terms, the amount of interest payable in respect of each Note on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount as specified irrespective of any calculation based on the applicable Rate of Interest and any applicable Day Count

Fraction (if any). Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

If "**Unadjusted**" is specified in the applicable Final Terms with respect to any Interest Payment Date, any Interest Payment Date falling on a day which is not a Business Day will not be adjusted in accordance with any Business Day Convention, and the relevant Fixed Interest Period (as defined below) will accordingly not be adjusted. In such event, payment of any amounts will be made in accordance with the provisions of Condition 6(C) (*Payments - Payment Day*).

If "**Adjusted**" is specified in the applicable Final Terms with respect to any Interest Payment Date, any Interest Payment Date falling on a day which is not a Business Day will be adjusted in accordance with the Business Day Convention specified in the applicable Final Terms, and the relevant Fixed Interest Period will be adjusted accordingly. For these purposes, the provisions of Condition 5(C)(a) below relating to Business Day Conventions shall apply *mutatis mutandis* where "Business Day" has the meaning assigned to it in Condition 18 (*Business Days*).

As used in these Terms and Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period or where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note or, if they are Partly Paid Notes, the aggregate amount paid up; or

(ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such product by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(C) *Interest on Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes and Inflation Linked Interest Notes*

(a) *Interest Payment Dates*

Each Floating Rate Note, Index Linked Interest Note, Share Linked Interest Note, GDR/ADR Linked Interest Note, FX Linked Interest Note, Commodity Linked Interest Note, Fund Linked Interest Note and Inflation Linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date. Interest will be payable in arrear on the "**Interest Payment Date(s)**", which shall mean either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

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

Interest will be payable in respect of each "**Interest Period**" (which expression shall, in these Terms and Conditions, mean (except as otherwise provided in Additional Note Condition 3(b)(ii)(A) in Annex 17), the period from (and including) an Interest Payment Date (or the Interest Commencement Date, in the case of the initial Interest Period) to (but excluding) the next Interest Payment Date or the first Interest Payment Date, as the case may be, or, in the case of the final Interest Period, the redemption date (whether at maturity or any earlier redemption date)) (subject to adjustment (if applicable) as described below).

If "**Unadjusted**" is specified in the applicable Final Terms with respect to any Interest Payment Date, and such Interest Payment Date is not a Business Day, then such Interest Payment Date will not be adjusted in accordance with any Business Day Convention (and, consequently, the relevant Interest Period will not be adjusted). In such event, payments of interest due shall be made in accordance with the provisions of Condition 6(C) (*Payments - Payment Day*), with no additional interest accruing or payable as a result of the non-Business Day.

If (x) there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) "**Adjusted**" is specified in the applicable Final Terms with respect to any Interest Payment Date or Interest Period Demarcation Date (as defined in Additional Note Condition 3(b)(ii)(A) and applicable with respect to Series of Notes for which the Reference Rate is a Compounded Daily Reference Rate using "Payment Delay" as the Determination Convention (as defined in Additional Note Condition 3(b)(ii)(A)) and such Interest Payment Date or Interest Period Demarcation Date, as applicable, falls on a day which is not a Business Day, such Interest Payment Date or Interest Period Demarcation Date, as applicable, will be adjusted in accordance with the Business Day Convention specified in the applicable Final Terms (and, consequently, the relevant Interest Period will be adjusted). In such case, interest will accrue to, but excluding, the adjusted Interest Payment Date or adjusted Interest Period Demarcation Date, as the case may be. If the Business Day Convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 5(C)(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day,

where "**Business Day**" has the meaning assigned to it in Condition 18 (*Business Days*).

(b) *Rate of Interest*

Except as otherwise provided pursuant to the applicable benchmark transition provisions set forth in Additional Note Condition 2(b) (with respect to BBSW). Additional Note Condition 4(b) (with respect to the EUR EURIBOR ICE Swap Rate®, GBP SONIA ICE Swap Rate®, U.S. Dollar SOFR ICE Swap Rate®, Tokyo Swap Rate (for swaps referencing TONA) or "TONA TSR", KRW CMS Rate and Constant Maturity Swap Rate), Additional Note Condition 4(a) (with respect to TORF and Compounded Daily Reference Rates based on SONIA and TONA) and Additional Note Condition 4(c) (with respect to Compounded Daily Reference Rates based on SOFR) in Annex 17 (such provisions, as applicable to a Series of Notes, the "**benchmark transition provisions**"), the Rate of Interest payable from time to time in respect of a Series of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes and Inflation Linked Interest Notes will be determined (a) in accordance with Condition 5(C)(b)(i) or 5(C)(b)(ii), as applicable, as specified in the applicable Final Terms, together with the Additional Note Conditions set forth in Annex 17 that are specified in such Annex or in the applicable Final Terms to be applicable with respect to the applicable Reference Rate and Notes bearing interest by reference thereto and/or as specified in the applicable Final Terms or (b) in the manner as specified in the applicable Final Terms.

For purposes of this Condition 5:

"**Calculation Amount**" means the amount specified in the applicable Final Terms;

"**Margin**" means the percentage or number of basis points specified in the applicable Final Terms to be added to or subtracted from the applicable Reference Rate in accordance with Condition 5;

"**Participation Rate**" means the percentage (or number), as specified in the applicable Final Terms, by which the applicable Reference Rate is multiplied in order to calculate the applicable Rate of Interest in accordance with this Condition 5(b); and

"**Reference Rate**" means one or more of the following interest rates, as specified in the Final Terms:

- BBSW;
- TORF;
- EUR EURIBOR ICE Swap Rate®;
- GBP SONIA ICE Swap Rate®;
- U.S. Dollar SOFR ICE Swap Rate®;
- TONA TSR;
- KRW CMS Rate;
- Constant Maturity Swap Rate;

- Compounded Daily SOFR;
- Compounded Daily SONIA;
- Compounded Daily TONA; or
- Any other rate specified to be the Reference Rate in the applicable Final Terms.

The applicable Reference Rate will be determined in accordance with Condition 5(C)(b)(i) or 5(C)(b)(ii), as applicable, specified in the applicable Final Terms, and the Additional Note Conditions that are specified in Annex 17 to be applicable with respect to such Reference Rate and Notes bearing interest by reference thereto and/or as specified in the applicable Final Terms. For additional information relating to certain Reference Rates and SOFR, SONIA and TONA, see section entitled "*Additional Information About Screen Rate Determination Reference Rates and SOFR, SONIA and TONA*".

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

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined with respect to a particular Series of Notes, except as otherwise provided pursuant to the applicable benchmark transition provisions set forth in Annex 17, the Rate of Interest for each Interest Period will be equal to the applicable Reference Rate (expressed as a percentage rate per annum) for the Specified Maturity and, if applicable, the Specified Currency for such Series of Notes, determined in accordance with Additional Note Condition 2 and such further Additional Note Conditions that are specified in Annex 17 and the applicable Final Terms to be applicable to the applicable Reference Rate and Notes bearing interest by reference thereto, multiplied by the Participation Rate, if any, plus or minus (as indicated in the applicable Final Terms) the Margin, if any, all as determined by the Calculation Agent.

(ii) *Determination of Rate of Interest of Floating Rate Notes with a Compounded Daily Reference Rate*

Where Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, except as otherwise provided pursuant to the applicable benchmark transition provisions set forth in Annex 17, the Rate of Interest for each Interest Period will be equal to the applicable Compounded Daily Reference Rate determined in accordance with Additional Note Condition 3 and such further Additional Note Conditions that are specified in Annex 17 and the applicable Final Terms to be applicable to the applicable Reference Rate and Notes bearing interest by reference thereto, multiplied by the Participation Rate, if any, plus or minus (as indicated in the applicable Final Terms) the Margin, if any, all as determined by the Calculation Agent.

(c) *Minimum or Maximum Rate of Interest*

If the applicable Final Terms specifies a minimum rate at which the Notes bear interest (a "**Minimum Interest Rate**") or a maximum rate at which the Notes bear interest (a "**Maximum Interest Rate**"), then the Rate of Interest shall in no event be greater than the Maximum Interest Rate or be less than the Minimum Interest Rate so specified.

(d) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Calculation Agent, in the case of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes and Inflation Linked Interest Notes, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period with respect to the applicable Note. In the case of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes and Inflation Linked Interest Notes, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Calculation Agent, in the case of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes and Inflation Linked Interest Notes, will calculate the amount of interest (the "**Interest Amount**") payable on the Notes for the relevant Interest Period (unless the Interest Amount is specified in the applicable Final Terms, in which case the Interest Amount shall be such amount) by applying the Rate of Interest to:

(i) in the case of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes or Inflation Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(ii) in the case of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes or Inflation Linked Interest Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such product by the applicable Day Count Fraction, and rounding the resultant figure in accordance with Condition 6(G). Where the Specified Denomination of a Floating Rate Note, Index Linked Interest Note, Share Linked Interest Note, GDR/ADR Linked Interest Note, FX Linked Interest Note, Commodity Linked Interest Note, Fund Linked Interest Note or Inflation Linked Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding. In such case, the Calculation Agent will notify the Principal Paying Agent of the Interest Amount for the relevant Interest Period as soon as practicable after calculating the same.

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

The Principal Paying Agent and/or the Calculation Agent will cause the relevant Rate of Interest and Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any securities or stock exchange on which the relevant Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes or Inflation Linked Interest Notes are for the time being listed as soon as reasonably practicable after their determination. In connection with any such Notes listed on any securities exchange, the Principal Paying Agent and/or the Calculation Agent will notify such securities exchange of the Rate or Interest, the Interest Payment Date and each Interest Amount no later than the first day of the commencement

of each new Interest Period, or, in respect of the Notes for which the Reference Rate is a Compounded Daily Reference Rate, as soon as reasonably practicable after the determination of such Rate of Interest and the Interest Amount. Both the Interest Amount and the Interest Payment Date subsequently may be amended (and/or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period in accordance with the provisions hereof. Any such amendment will be notified as soon as reasonably practicable to each securities or stock exchange (if the rules of such securities or stock exchange so require) on which the relevant Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, GDR/ADR Linked Interest Notes, FX Linked Interest Notes, Commodity Linked Interest Notes, Fund Linked Interest Notes or Inflation Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 14 (*Notices*). In addition, if, with respect to a Series of Notes, a substitute, alternative or replacement rate with respect to the Reference Rate for such Series is determined pursuant to and in accordance with the applicable benchmark transition provisions (as defined in Condition 5(C)(b)), and as specified in the applicable Final Terms, the Issuer shall provide, or cause to be provided, as soon as practicable after such determination, notice of such substitute or alternative rate to the applicable Holders in accordance with Condition 14 (*Notices*). For the purposes of this paragraph (e), the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(f) *Certificates to be final*

Except as otherwise provided in Additional Note Condition 3 set forth in Annex 17, all certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(C), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of negligence, wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Guarantor (in the case of Notes issued by MLBV), the Principal Paying Agent, the Calculation Agent (if applicable), the other Paying Agents, the Registrar and all Noteholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor (in the case of Notes issued by MLBV) or the Noteholders shall attach to the Principal Paying Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(D) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

(E) *Cessation of Interest Accrual; Accrual of interest if Payment of Principal is Improperly Withheld or Refused*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid and/or all assets deliverable in respect of such Note have been delivered; and

(b) five calendar days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Principal Paying Agent and/or all assets in respect of such Note have been received by any agent appointed by

the Issuer to deliver such assets to Noteholders and notice to that effect has been given to the Noteholders in accordance with Condition 14 (*Notices*),

provided that if:

(c) "**Accrual of Interest upon Credit Event**" is specified as Not Applicable in the applicable Final Terms, each Note shall cease to bear interest from the Interest Payment Date immediately preceding the Event Determination Date, or if the Event Determination Date is an Interest Payment Date such Interest Payment Date (or, in the case of the Event Determination Date falling on or after the Scheduled Maturity Date (which is an Interest Payment Date), the Interest Payment Date immediately preceding the Scheduled Maturity Date) or, if the Event Determination Date falls prior to the first Interest Payment Date, no interest shall accrue on the Notes; or

(d) "**Accrual of Interest upon Credit Event**" is specified as being Applicable in the applicable Final Terms, each Note shall cease to bear interest from the Event Determination Date.

6. Payments

(A) *Method of Payment*

Payments of principal, interest and any other amounts due on the Notes shall be made to the person shown on the Register on the Record Date. Payments in respect of each Note shall be made in the relevant Specified Currency by cheque drawn on a bank in the principal financial centre of the country of such Specified Currency and mailed to the Noteholder (or the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the Noteholder to the specified office of the Principal Paying Agent before the Record Date, such payment may be made by transfer to an account in the Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (or, if the Specified Currency is euro, any other account to which euro may be credited or transferred).

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*).

Notwithstanding anything to the contrary in this Condition 6(A) (*Payments – Method of Payment*), payments in CNY will be made solely by credit or transfer to a CNY account maintained by the payee with a bank in the CNY Settlement Centre in accordance with applicable laws, rules, regulations and guidelines.

(B) *Payments in respect of Registered Notes*

(a) *Payments in respect of Definitive Registered Notes*

Payments of principal, instalments of principal (if any) and interest in respect of Definitive Registered Notes will be made in the manner provided in paragraph (A) above to the person shown in the Register on the Record Date.

(b) *Payments in respect of Global Notes*

All payments in respect of a Global Note will be made to the person shown in the Register on the Record Date.

The person shown in the Register on the Record Date shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer and any Guarantor (in the case of Notes issued by MLBV), will be discharged by payment to, or to the order of, to such person in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount

of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for such person's share of each payment so made by the Issuer or, as the case may be, the Guarantor (in the case of Notes issued by MLBV).

(C) *Payment Day*

If the date scheduled for payment of any amount in respect of any Note is not a Payment Day, the Holder thereof shall not be entitled to payment of the amount due until (i) if "Following" is specified in the applicable Final Terms, the next following Payment Day or (ii) if "Modified Following" is specified in the applicable Final Terms, the next following Payment Day unless that Payment Day falls in the next calendar month, in which case the first preceding Payment Day. If any date for payment is postponed as a result of a non-Payment Day, the Holder shall not be entitled to further interest or other payment in respect of such delay or amendment. For the avoidance of doubt, whether a Fixed Interest Period or Interest Period is adjusted (and thus whether additional days are included in such period for the accrual of interest) will be determined in accordance with the applicable Business Day Convention as described in Condition 5. For these purposes, "**Payment Day**" means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchanges and foreign currency deposits) in:

(a) (1) for any sum payable in a Specified Currency other than euro or CNY, the principal financial centre of the country of the relevant Specified Currency (if other than London), (2) for any sum payable in euro, a day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) system or any successor thereto (the "**TARGET2 System**") is operating or (3) for any sum payable in CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the CNY Settlement Centre);

(b) each Additional Financial Centre specified in the applicable Final Terms, provided that if the Additional Financial Centre is specified in the applicable Final Terms to be or to include "TARGET", then Payment Day shall also be a day on which the TARGET2 System is operating; and

(c) London and (in the case of Notes issued by BAC and BofA Finance) New York City.

(D) *Interpretation of principal and interest*

(a) Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) any Additional Tax Amounts which may be payable with respect to principal under Condition 9 (*Taxation*);

(ii) the Final Redemption Amount of the Notes;

(iii) the Early Redemption Amount of the Notes;

(iv) the Optional Redemption Amount(s) (if any) of the Notes;

(v) the Failure to Deliver Settlement Price (if any) in respect of the Notes;

(vi) the Disruption Cash Settlement Price (if any) in respect of the Notes;

(vii) the Credit Event Redemption Amount (if any) in respect of the Notes;

(viii) the Partial Cash Settlement Amount (if any) in respect of the Notes;

(ix) in relation to Notes redeemable in instalments, the Instalment Amounts;

(x) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(G)(c)); and

(xi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

(b) Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Tax Amounts which may be payable with respect to interest under Condition 9 (*Taxation*).

(c) Any principal, interest or other amount payable under these Terms and Conditions shall never be less than zero.

(E) *Definition of Affiliate*

"**Affiliate**" means, in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity.

(F) *Payment Disruption*

(a) *Occurrence of a Payment Disruption Event or a CNY Payment Disruption Event*

If the applicable Final Terms specifies "Payment Disruption Event" or "CNY Payment Disruption Event" to be applicable, then, in the event that the Calculation Agent, at any time and from time to time, determines in its sole discretion that a Payment Disruption Event or a CNY Payment Disruption Event, as the case may be, has occurred or is likely to occur, then the Calculation Agent shall as soon as practicable notify the Holders of the relevant Notes of the occurrence of such Payment Disruption Event or CNY Payment Disruption Event, as the case may be, in accordance with Condition 14 (*Notices*).

(b) *Consequences of a Payment Disruption Event*

Upon the occurrence of a Payment Disruption Event:

(i) *Postponement of relevant dates*

Subject to Condition 6(F)(e), the Calculation Agent may postpone the Interest Payment Date, the Maturity Date or any other date on which the Notes may be redeemed or any amount would otherwise be due and payable in respect of the relevant Notes until five Business Days (or such other date as may be determined by the Calculation Agent and notified to the Holders in accordance with Condition 14 (*Notices*)) after the date on which the Payment Disruption Event is no longer occurring (the "**Postponed Date**"). Noteholders shall not be entitled to further interest or other payment in respect of such postponement.

(ii) *Issuer's option to vary settlement*

Notwithstanding the Issuer's right to postpone the date(s) for payments and/or redemption in accordance with Condition 6(F)(b)(i), the Issuer may, if practicable (and to the extent lawful), and at the Issuer's sole and absolute discretion:

(A) make payments due to be made in the Subject Currency in the Base Currency or in U.S. dollars or euros, converted from the Subject Currency into the Base Currency, U.S. dollars or euros, as applicable, at a rate reasonably selected by the Calculation Agent;

(B) make payments due to be made in the Base Currency in the Subject Currency or in U.S. dollars or euros, disregarding any obligation to convert amounts into the Base Currency;

(C) in the case of Share Linked Notes, deliver the Shares in lieu of cash settlement; or

(D) in the case of Share Linked Notes which reference a basket of Shares, elect to satisfy in part its obligation to pay the amounts as may be due and payable under the relevant Notes by making partial payment(s) or partial deliveries, as the case may be (the "**Partial Distributions**"). Any Partial Distribution made by the Issuer to the Holders will be calculated and/or determined by the Calculation Agent in its sole and absolute discretion and shall be paid and/or delivered to the Holders *pro rata* (as far as possible, subject to any necessary adjustments for rounding) to the proportion of the Notes of the same Series held by the relevant Holder. In the event that any Partial Distribution is made by the Issuer, the Calculation Agent may, in its sole and absolute discretion, make any such corresponding adjustment to any variable relevant to the redemption or payment terms of the relevant Notes as it deems necessary and shall notify the relevant Holders thereof in accordance with Condition 14 (*Notices*).

Any payments or deliveries made in accordance with this Condition 6(F)(b)(ii) shall satisfy and discharge in full (in the case of payments or deliveries made in accordance with paragraphs (A) to (C)) and in part (in the case of Partial Distributions made in accordance with paragraph (D)) the Issuer's obligation to pay the Interest Amount, Fixed Coupon Amount, Final Redemption Amount or other amount in respect of which the Payment Disruption Event has arisen, and no further amounts shall be due and payable by the Issuer in respect thereof.

(c) *Consequences of a CNY Payment Disruption Event*

Upon the occurrence of a CNY Payment Disruption Event:

(i) *Postponement of relevant dates*

If "Date Postponement" is specified to be applicable in the applicable Final Terms, then Condition 6(F)(b)(i) shall apply, provided that the reference therein to "Payment Disruption Event" shall be construed as a reference to "CNY Payment Disruption Event".

(ii) *Payment of Equivalent Amount*

If "Payment of Equivalent Amount" is specified to be applicable in the applicable Final Terms, and the Calculation Agent determines that a CNY Payment Disruption Event has occurred in relation to the Issuer's obligations under the relevant Notes to pay any Interest Amount, Fixed Coupon Amount, Final Redemption Amount or other amount in respect of the relevant Notes on the relevant Interest Payment Date, Maturity Date, or such other date on which any amount in respect of the relevant Notes shall be due and payable (such date, the "**Affected Payment Date**"), then the Issuer may, on giving notice to Holders in accordance with Condition 14 (*Notices*) as soon as practicable and in any event prior to the date on which the payment of the Equivalent Amount is due and payable to the Holders, make payment of the Equivalent Amount of the relevant Interest Amount, Fixed Coupon Amount, Final Redemption Amount or such other amount payable (if applicable) in full and final settlement of its obligations

to pay such Interest Amount, Fixed Coupon Amount, Final Redemption Amount or other amount in respect of the relevant Notes.

Notwithstanding the foregoing:

(A) if both "Payment of Equivalent Amount" and "Date Postponement" are specified to be applicable in the applicable Final Terms, and if the Issuer decides to exercise its right of postponement pursuant to Condition 6(F)(c)(i) and payment of the Equivalent Amount pursuant to this Condition 6(F)(c)(ii), the Equivalent Amount in respect of the relevant Interest Amount, Fixed Coupon Amount, Final Redemption Amount or other amount (if applicable) in respect of the relevant Notes shall be due and payable on the Postponed Date instead of the Affected Payment Date; and

(B) if (x) only the "Payment of Equivalent Amount" is specified to be applicable in the applicable Final Terms, or (y) both "Payment of Equivalent Amount" and "Date Postponement" are specified to be applicable in the applicable Final Terms and the Issuer decides only to exercise the right of payment of the Equivalent Amount pursuant to this Condition 6(F)(c)(ii) but not its right of postponement pursuant to Condition 6(F)(c)(i), then no Postponed Date shall apply and the Equivalent Amount in respect of the relevant Interest Amount, Fixed Coupon Amount, Final Redemption Amount or other amount (if applicable) in respect of the relevant Notes shall be due and payable on the Affected Payment Date.

(d) *Payments net of expenses*

Notwithstanding any provisions to the contrary, (a) any payments made in accordance with Condition 6(F)(b) or Condition 6(F)(c), as the case may be, shall be made after deduction of any costs, expenses or liabilities incurred or to be incurred by the Calculation Agent or Issuer in connection with or arising from the resolution of the relevant Payment Disruption Event(s) or CNY Payment Disruption Event(s), as the case may be, and (b) no interest shall be paid by the Issuer in respect of any delay which may occur in the payment of any amounts due and payable under the Notes as a result of the operation of Condition 6(F)(b) or Condition 6(F)(c), as the case may be.

(e) *Payment Event Cut-Off Date*

In the event that a Payment Disruption Event or a CNY Payment Disruption Event, as the case may be, is still occurring on the Payment Event Cut-Off Date, then the Interest Payment Date, the Maturity Date, or any other date on which any Interest Amount, Fixed Coupon Amount, Final Redemption Amount or other amount in respect of the relevant Notes shall be due and payable (as the case may be) for the relevant Notes shall be deemed to fall on the Payment Event Cut-Off Date. In such circumstances, the Holder will not receive any amounts. Thereafter, the Issuer shall have no obligations whatsoever under the Notes.

For the purposes of this Condition 6(F) (*Payments – Payment Disruption*):

"**Base Currency**" has the meaning given to it in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*";

"**CNY**" means Chinese Renminbi, the lawful currency of the People's Republic of China (including any lawful successor currency to the CNY);

"**CNY Payment Disruption Event**" means the occurrence of any of the following events:

1. an event that makes it impossible or impractical for the Issuer to convert any amounts in CNY due in respect of the Notes in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s), other than where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation) (a "**CNY Inconvertibility Event**");

2. an event that makes it impossible or impractical for the Issuer to deliver CNY (i) between accounts inside the relevant CNY Settlement Centre(s), (ii) from an account inside the relevant CNY Settlement Centre(s) to an account outside the relevant CNY Settlement Centre(s) (including, if applicable, to another CNY Settlement Centre), or (iii) from an account outside the relevant CNY Settlement Centre(s) to an account inside the relevant CNY Settlement Centre(s), other than where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible or impractical for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation) (a "**CNY Non-Transferability Event**"); and

3. the general CNY foreign exchange market in the relevant CNY Settlement Centre becomes illiquid as a result of which the Issuer cannot obtain sufficient CNY in order to satisfy its payment obligations (in whole or in part) under the Notes (a "**CNY Non-Availability Event**");

"**CNY Settlement Centre**" means the financial centre(s) specified as such in the applicable Final Terms;

"**Equivalent Amount**" means, in respect of the relevant Interest Amount, Fixed Coupon Amount, Final Redemption Amount or other amount payable (if applicable) on the relevant Affected Payment Date (for these purposes, the "**Relevant Amount**"), an amount in the Base Currency determined by the Calculation Agent by converting the Relevant Amount into the Base Currency using the Equivalent Amount Settlement Rate for the relevant Affected Payment Date;

"**Equivalent Amount Settlement Rate**" means, unless otherwise specified in the applicable Final Terms, in respect of any relevant day, the spot exchange rate on such day between CNY and the Base Currency, determined by the Calculation Agent, taking into account all available information which the Calculation Agent deems relevant (including, but not limited to, pricing information obtained from the CNY non-deliverable market outside the People's Republic of China and/or the CNY foreign exchange market in the People's Republic of China);

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the People's Republic of China, the Hong Kong Special Administrative Region and any other CNY Settlement Centre;

"**impractical**" or "**impracticality**" means, in respect of any action to be taken by the Issuer, that the Issuer and/or its Affiliates would incur a materially increased amount of taxes, duties, expenses or fees (as compared with circumstances existing on the Trade Date) to perform such action, or the Issuer and/or any Affiliates would be in breach of any law, rule, regulation, guideline or internal policy of the Issuer and/or its Affiliates, if such action were to be performed;

"**Payment Disruption Event**" means:

(i) the occurrence of either (a) an Inconvertibility Event and/or (b) a Non-Transferability Event (each as defined in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*");

(ii) the imposition by the Subject Currency Jurisdiction (or any political or regulatory authority thereof) of any capital controls, or the publication of any notice of an intention to do so, which the Calculation Agent determines in good faith is likely materially to affect the Notes, and notice thereof is given by the Issuer to the Holders in accordance with Condition 14 (*Notices*); or

(iii) the implementation by the Subject Currency Jurisdiction (or any political or regulatory authority thereof) or the publication of any notice of an intention to implement any changes to the laws or regulations relating to foreign investment in the Subject Currency Jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), which the Calculation Agent determines are likely to affect materially the Issuer's ability to hedge its obligations under the Notes;

"**Payment Event Cut-Off Date**" means the date which is one year after the Maturity Date, or as determined by the Calculation Agent acting in good faith and notified to Holders in accordance with Condition 14 (*Notices*);

"**Subject Currency**" has the meaning given to it in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*";

"**Subject Currency Jurisdiction**" has the meaning given to it in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*".

(G) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified elsewhere in these Conditions or in the applicable Final Terms), (i) all percentages resulting from such calculations, including determinations of any Reference Rate except for Compounded Daily SOFR in accordance with the Additional Floating Rate Conditions set forth in Annex 17, shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up) or, if the applicable Final Terms specifies "Alternative Rounding" to be applicable, such other number of decimal places or such other rounding convention as is specified in the applicable Final Terms to be the "Alternative Rounding Convention", (ii) all percentages resulting from determinations of Compounded Daily SOFR or Weighted Average Daily SOFR in accordance with the Additional Floating Rate & Fixed Rate Reset Note Conventions set forth in Annex 2 shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, for example, 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655), (iii) all figures shall be rounded to seven significant figures (with halves being rounded up) and (iv) all currency amounts that fall due and payable shall be rounded to the nearest Sub-unit of such currency (with halves being rounded up), except in the case of Japanese yen, which, if the applicable Final Terms specifies "JPY Rounding Down" to be applicable, shall be rounded down to the nearest Japanese yen or, if the applicable Final Terms specifies "JPY Rounding Up" to be applicable, shall be rounded up to the nearest Japanese yen (with JPY 0.5 being rounded up).

7. Redemption, Repayment and Repurchase

(A) *Redemption at Maturity*

Unless previously redeemed or purchased and cancelled as provided below, each Note (other than a Credit Linked Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date or, if the Notes are

specified as Physical Delivery Notes in the applicable Final Terms, by delivery of the Entitlement (subject as provided in "Annex 10 – *Additional Terms and Conditions for Physical Delivery Notes*") specified in, or determined in the manner specified in, the applicable Final Terms on the Maturity Date.

(B) *Redemption for Tax Reasons*

The Issuer may redeem the Notes, in whole, but not in part, at any time prior to maturity at their Early Redemption Amount, together, if appropriate, with accrued interest to (but excluding) the date fixed for redemption, if: (i) the Issuer or (in the case of Notes issued by BofA Finance and (other than Secured Notes) MLBV) the Guarantor shall determine that the Issuer would be required to pay Additional Tax Amounts, as provided in Condition 9 (*Taxation*), on the occasion of the next payment due with respect to the Notes; (ii) any payment or deemed payment as determined for United States tax purposes with respect to the Notes or with respect to a direct or indirect hedging arrangement entered into by the Issuer or any of its Affiliates relating to the Notes may be treated as a dividend or "dividend equivalent" for United States tax purposes (such event being a "**U.S. Withholding Tax Event**"); or (iii) in the case of Notes issued by BofA Finance and (other than Secured Notes) MLBV, on the occasion of the next payment due in respect of the Notes, the Guarantor would be unable to procure the Issuer to make payment and, in making such payment itself under the relevant Guarantee, the Guarantor would be required to pay Additional Tax Amounts as provided in Condition 9 (*Taxation*).

Notice of intention to redeem Notes pursuant to this Condition 7(B) (*Redemption, Repayment and Repurchase – Redemption for Tax Reasons*) will be given at least once in accordance with Condition 14 (*Notices*) not less than 30 calendar days nor more than 60 calendar days prior to the date fixed for redemption, provided that no such notice of redemption shall be given earlier than 90 calendar days prior to the effective date of such change or amendment and that at the time notice of such redemption is given, such obligation to pay such Additional Tax Amounts remains in effect and cannot be avoided by the Issuer's taking reasonable measures available to it. From and after any redemption date, if monies for the redemption of Notes shall have been made available for redemption on such redemption date, such Notes shall cease to bear interest, if applicable, and the only right of the holders of such Notes shall be to receive payment of the Early Redemption Amount and, if appropriate, all unpaid interest accrued to such redemption date.

(C) *Redemption for Tax Compliance Reasons*

MLBV may, at its option, redeem the Notes, in whole or in part, at any time prior to maturity, at their Early Redemption Amount, together, if appropriate, with accrued interest to (but excluding) the date fixed for redemption, if MLBV determines in good faith that it has, or there is a substantial likelihood that it will, become subject to withholding imposed on a payment made to it on account of MLBV's inability to comply with the reporting requirements imposed by the FATCA Provisions (as defined below), provided that such inability to comply with the reporting requirements is attributable to non-compliance by any Holder of such Notes (or a foreign withholding agent (if any) in the chain of custody of payments made to the Holders) with MLBV's requests for certifications or identifying information (such redemption, a "**Redemption for Tax Compliance Reasons**"). Upon a Redemption for Tax Compliance Reasons, Notes held by compliant Holders, in addition to those held by non-compliant Holders, may be redeemed.

Notice of intention to redeem Notes pursuant to this Condition 7(C) will be given in accordance with Condition 14 (*Notices*) not less than 30 calendar days nor more than 60 calendar days prior to the date fixed for redemption. From and after any redemption date, if monies for the redemption of Notes shall have been made available for redemption on such redemption date, such Notes shall cease to bear interest, if applicable, and the only right of the holders of such Notes shall be to receive payment of the Early Redemption Amount and, if appropriate, all unpaid interest accrued to such redemption date.

As used in these Terms and Conditions, the term "**FATCA Provisions**" means Sections 1471 through 1474 of the Code (or any successor provisions), any regulation, pronouncement, or agreement thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto whether currently in effect or as published and amended from time to time, and any intergovernmental agreement entered into in connection with the implementation of such provisions of the Code.

(D) *Redemption at the Option of the Issuer (Issuer Call)*

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

(a) not less than 30 nor more than 60 calendar days' notice to the Noteholders in accordance with Condition 14 (*Notices*) (or such other period as is specified in the applicable Final Terms); and

(b) (i) not less than two London Business Days' notice to the Principal Paying Agent or (ii) not less than two New York Business Days' notice to the U.S. Paying Agent, as applicable, before giving notice as referred to in (a) above, unless a shorter period is acceptable to the Principal Paying Agent or the U.S. Paying Agent, as the case may be,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and/or not more than the Maximum Redemption Amount in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by Individual Note Certificates, and in accordance with any applicable laws and the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a pro-rata reduction in nominal amount at their discretion), in the case of Redeemed Notes represented by a Global Note, not more than 60 calendar days' prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by Individual Note Certificates, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 (*Notices*) not less than 30 calendar days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (D) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 (*Notices*) at least five calendar days' prior to the Selection Date.

For the purposes of this Condition "New York Business Day" means day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in New York City.

(E) *Redemption at the Option of the Noteholders (Investor Put)*

If Investor Put is specified in the applicable Final Terms, upon the Holder of any Note giving to the Issuer in accordance with Condition 14 (*Notices*) not less than 30 nor more than 60 calendar days' notice (or such other notice period as is specified in the applicable Final Terms) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions detailing such

conditions and/or circumstances to be satisfied will be set out in the applicable Final Terms.

If the Note is represented by an Individual Note Certificate and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of the Note the Holder of the Note must deliver at the specified office of the Principal Paying Agent at any time during normal business hours of the Principal Paying Agent falling within the notice period, a duly signed and completed notice of exercise (a "**Put Notice**") in the form (for the time being current) obtainable from the specified office of the Principal Paying Agent and in which the Holder must specify a bank account (or, if payment is required by cheque, an address) to which payment is to be made under this Condition 7 (*Redemption, Repayment and Repurchase*) accompanied by the relevant Individual Note Certificate(s) or evidence satisfactory to the Principal Paying Agent that the Individual Note Certificate(s) will, following delivery of the Put Notice, be held to its order or under its control.

If the Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of the Note the Holder of the Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on its instruction by Euroclear or Clearstream, Luxembourg or the Common Depositary or its nominee or common safekeeper, as the case may be, for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if the Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a Holder of any Note pursuant to this paragraph (E) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing in which event such Holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph (E) and instead to declare such Note forthwith due and payable pursuant to Condition 11 (*Events of Default and Rights of Acceleration*).

(F) *Exercise of Options or Partial Redemption in respect of Definitive Registered Notes*

See Condition 2(D) above for information about the issuance of new Individual Note Certificates in the event of an exercise of an Issuer Call or Investor Put in respect of, or a partial redemption of, a holding of Definitive Registered Notes.

(G) *Early Redemption Amounts*

The Early Redemption Amount shall be calculated as follows:

(a) in the case of a Note (other than a Zero Coupon Note, an Index Linked Note, a Share Linked Note, a GDR/ADR Linked Note, an FX Linked Note, a Commodity Linked Note, a Fund Linked Note, an Inflation Linked Note, a Credit Linked Note or a Preference Share Linked Note) with a Final Redemption Amount equal to 100 per cent. of its outstanding nominal amount, at the Final Redemption Amount thereof;

(b) in the case of a Note other than those described in sub-paragraph (a) above or sub-paragraphs (c) or (d) below, the Early Redemption Amount payable in respect of such Note shall be the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is specified in the applicable Final Terms, its nominal amount, provided that if "Market Value less Associated Costs (no floor)" or "Market Value less Associated Costs (90 per cent. floor)" is specified in the applicable Final Terms as the Early Redemption Amount, the Early Redemption Amount in respect of each Note of the Specified

Denomination shall be an amount determined by the Calculation Agent which on (i) in the case of redemption other than pursuant to Condition 11 (*Events of Default and Rights of Acceleration*), the second Business Day immediately preceding the due date for the early redemption of such Note, or (ii) in the case of redemption pursuant to Condition 11 (*Events of Default and Rights of Acceleration*), the due date for the early redemption of such Note, represents the fair market value of such Note (taking into account all factors which the Calculation Agent determines to be relevant) less Associated Costs, and provided that no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes and provided further that, if "Market Value less Associated Costs (90 per cent. floor)" is specified in the applicable Final Terms as the Early Redemption Amount, in no event shall the Early Redemption Amount of each Note (in the case of an Instalment Note, when aggregated with the sum of any Instalment Amounts already paid in respect of such Note) be less than 90 per cent. of the Specified Denomination of such Note (or, in the case of a Partly Paid Note, 90 per cent. of the amount paid up in respect of such Note, or, in the case of a Zero Coupon Note, 90 per cent. of the Amortised Face Amount (as defined in sub-paragraph (c) below) of such Note);

(c) in the case of a Zero Coupon Note (other than an Index Linked Note, a Share Linked Note, a GDR/ADR Linked Note, an FX Linked Note, a Commodity Linked Note, a Fund Linked Note, an Inflation Linked Note, a Credit Linked Note or a Preference Share Linked Note), at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

Early Redemption Amount = $RP \times (1 + AY)^y$

where:

"**RP**" means the Reference Price; and

"**AY**" means the Accrual Yield expressed as a decimal; and

"**y**" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms; or

(d) in the case of a Preference Share Linked Note, in accordance with the definition of "Early Redemption Amount" set out in Annex 15.

As used herein:

"**Associated Costs**" means, an amount per Note of the Specified Denomination equal to such Notes' *pro rata* share of the total amount of any and all costs associated or incurred by the Issuer or any Affiliate in connection with such early redemption, including, without limitation, any costs associated with unwinding any funding relating to the Notes and any costs associated with unwinding any hedge positions relating to the Notes, all as determined by the Calculation Agent in its sole discretion.

(H) *Automatic Early Redemption Event*

If Automatic Early Redemption is specified as applicable in the applicable Final Terms, then unless previously redeemed or purchased and cancelled, if an Automatic Early Redemption Event as specified in the applicable Final Terms occurs, the Issuer will give notice to Noteholders in accordance with Condition 14 (*Notices*) and the Notes will be redeemed in whole, but not in part, on the Automatic Early Redemption Date as specified

in the applicable Final Terms at the Automatic Early Redemption Amount as specified in the applicable Final Terms.

(I) *Instalments*

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (G) above.

(J) *Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 7 (*Redemption, Repayment and Repurchase*) and the applicable Final Terms.

(K) *Illegality*

In the event that the Issuer determines in good faith that (i) the performance of the Issuer's obligations under the Notes or that any arrangements made to hedge the Issuer's obligations under the Notes or (ii) in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV, the performance by the Guarantor of any of its obligations under the Guarantee in respect of the Notes (except for Secured Notes), has or will become, in whole or in part, unlawful, illegal or otherwise contrary to any present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative, judicial or regulatory authority or powers, or any change in the interpretation thereof that is applicable to the Issuer and/or the Guarantor, the Issuer may (but will have no obligation), at its discretion, by giving, at any time, not less than 10 nor more than 30 calendar days' notice to Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), elect that such Notes be redeemed, in whole but not in part, on the date specified by the Issuer, each Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date fixed for redemption.

(L) *Repurchases*

The Issuer, the Guarantor (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) or any of their affiliates may purchase at any time and from time to time outstanding Notes by tender, in the open market or by private agreement. Such Notes may be held, reissued, resold or, at the option of the Issuer or (if applicable) the Guarantor, surrendered to any Paying Agent for cancellation.

(M) *Cancellations*

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (L) above shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

(N) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraphs (A), (B), (C), (D) or (E) above or upon its becoming due and repayable as provided in Condition 11 (*Events of Default and Rights of Acceleration*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (G)(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(b) five calendar days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 (*Notices*).

(O) *Regulatory Approvals*

The redemption, repayment or repurchase of any Note issued by BAC that is long-term debt satisfying certain eligibility criteria ("**eligible LTD**") under the final total loss-absorbing capacity rules of the U.S. Board of Governors of the Federal Reserve System (the "**Federal Reserve Board**") prior to its stated maturity date will require the prior approval of the Federal Reserve Board if after such redemption, repayment or repurchase BAC would fail to satisfy its requirements as to eligible LTD or total loss-absorbing capacity under such rules.

8. **Currency Substitution and Unavailability**

(A) *Occurrence of a Currency Substitution Event*

In the event that the Issuer and the Calculation Agent, in their discretion, determine that any Relevant Governmental Authority (as defined below) of a country, bloc of countries or other applicable sovereign entity or entities (each, an "**Applicable Jurisdiction**") announces or in any event effects (whether pursuant to legislation enacted for such purpose in the Applicable Jurisdiction, in accordance with or in breach of applicable international treaties, or in any other manner) or (based on any publicly available information which the Issuer and the Calculation Agent reasonably consider relevant) there is a substantial likelihood that it will effect within the next 90 days, the replacement of the lawful currency (the "**Initial Currency**") of an Applicable Jurisdiction with a substitute currency ("**Substitute Currency**") (for the avoidance of doubt, including circumstances in which a country (a "**Departing Country**") within a bloc of countries in a currency union passes legislation (or a Relevant Governmental Authority thereof announces that it will pass legislation or otherwise seeks) to effect or does effect the withdrawal of such Departing Country from the currency bloc and the replacement of the currency of the currency union with another currency as the official currency of the Departing Country) (any such event being a "**Currency Substitution Event**"), and:

(a) the calculation of amounts to be paid or assets to be delivered under any Note is linked to one or more Reference Item(s), and the currency by which the Reference Item(s) and/or any component(s) thereof is priced, quoted or traded is (or, in the Issuer's reasonable opinion is likely to be), as a result of the Currency Substitution Event, redenominated from the Initial Currency into the Substitute Currency; and/or

(b) the calculation of amounts to be paid or assets to be delivered under any Note is linked to one or more floating rates of interest based on or related to amounts denominated in the Initial Currency; and/or

(c) the Hedging Arrangements (as defined below) in respect of any Note have been materially adversely affected by (A) the Currency Substitution Event and/or (B) capital controls or other restrictions imposed by a Relevant Governmental Authority of the Applicable Jurisdiction, and the Hedging Party (as defined below) is unable, after using commercially reasonable efforts, to alter or modify the Hedging Arrangements and/or establish alternate Hedging Arrangements to fully account for the material adverse effect of (A) and/or (B) above,

then, unless otherwise provided in the applicable Final Terms, the Issuer and the Calculation Agent may, in their discretion:

(x) make such adjustments, as shall be notified to each Holder of the relevant Notes, to the exercise, settlement, valuation, calculation, payment (including the Specified Currency and/or Settlement Currency) and/or any other Terms and

Conditions of the Note as the Issuer determines appropriate to (i) (in all cases other than (c) above) preserve the economic terms of such Notes as of the Issue Date, including, without limitation, making any currency conversion necessary as part of any such adjustment based on the relevant official conversion rate or at an appropriate market rate of exchange determined by the Calculation Agent to be prevailing as of any relevant time and date, or (ii) (in the case of (c) above) account for the material adverse effect on the Hedging Arrangements and in order to effect a commercially reasonable result; or

(y) redeem such Notes on such day as shall be notified to the relevant Holders at their Early Redemption Amount, which amount shall be the Market Value less Associated Costs (no floor) or the Market Value less Associated Costs (90 per cent. floor) as provided in Condition 7(G) and as specified in the applicable Final Terms.

For the avoidance of doubt, the circumstances and consequences described in this Condition 8 (*Currency Substitution and Unavailability*) and any resulting or alternative adjustments to the exercise, settlement, valuation, calculation, payment and/or any other Terms and Conditions of the Notes will not entitle any Holder of such Notes (A) to any legal remedy, including, without limitation, rescission, repudiation, or renegotiation of the Notes, or (B) to raise any defence or make any claim (including, without limitation, claims of breach, force majeure, frustration of purpose, or impracticability) or any other claim for compensation, damages, or any other relief.

For the purposes of this Condition 8 (*Currency Substitution and Unavailability*):

"**Hedging Arrangements**" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange or (b) other instruments or arrangements (howsoever described) in order to hedge individually or on a portfolio basis the Issuer's obligations under any Note.

"**Hedging Party**" means, the Issuer or any of the Issuer's affiliate(s) or any entity (or entities) acting on the Issuer's behalf engaged in any underlying or hedging transactions relating to any Note and/or underlying market measure(s) in respect of the Issuer's obligations under the Note.

"**Relevant Governmental Authority**" means, in relation to any Applicable Jurisdiction, any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of such Applicable Jurisdiction.

(B) *Unavailability of Currency*

If, at or about the time of payment of any principal of, premium, if any, interest, or any other amounts payable with respect to any Series of Notes, the applicable Specified Currency or Settlement Currency, as applicable, for such Series is not legal tender for the payment of public and private debts in the country that issued such Specified Currency or Settlement Currency at the Issue Date of such Series of Notes or is otherwise unavailable to the Issuer, and such Specified Currency or Settlement Currency has been replaced by another currency that has become legal tender for the payment of public and private debts in such country (a "**Replacement Currency**"), any amount payable pursuant to such Series of Notes may be paid, at the Issuer’s option, in the Replacement Currency or in U.S. Dollars, at a rate of exchange which takes into account the conversion, at the rate prevailing on the most recent date on which official conversion rates were quoted or set by the national government or other authority responsible for issuing the Replacement Currency, from the applicable Specified Currency or Settlement Currency to the Replacement Currency or to U.S. Dollars, if applicable, and, if necessary, the conversion of the Replacement Currency into U.S. Dollars at the rate prevailing on the date of such conversion. In this circumstance, the Issuer will appoint a financial institution to act as exchange rate agent for purposes of making the required conversions

in accordance with prevailing market practice and the terms of the applicable Series of Notes and with any applicable arrangements between the Issuer and the exchange rate agent.

With respect to a Series of Notes that is not denominated in U.S. Dollars, if (a) the Specified Currency is unavailable or (b) as a result of current or proposed economic sanctions affecting banks in the country where the Specified Currency is recognised as the lawful currency, countermeasures to such sanctions or changes in the government of such country (each such event, a "**Decreased Availability Event**"), at a time of payment of any principal, premium, if any, interest, or any other amounts payable with respect to such Series of Notes, the availability to the Issuer or Guarantor of such Specified Currency from one or more sources in the international markets previously used by the Issuer or Guarantor for the purpose of such payment has decreased as compared to the availability of such Specified Currency as at the most recent Interest Payment Date immediately preceding the announcement or publicity regarding such Decreased Availability Event (or, in the case of the first Interest Payment Date, as applicable, as compared to the availability of such Specified Currency as at the Issue Date), and in the case of either (a) or (b) such Specified Currency has not been replaced, then, in either such case, the Issuer or Guarantor, as applicable, may satisfy its obligations to holders of such Series of Notes by making the relevant payment of principal, premium, if any, interest, or any other amounts payable with respect to such Series of Notes on the date of payment in U.S. Dollars. The amount of such payment made in U.S. Dollars will be determined by an exchange rate agent to be appointed by the Issuer and/or the Guarantor on the basis of the market exchange rate, such rate being equal to the highest mid-exchange rate quotation in The City of New York received by the exchange rate agent at approximately 11:00 a.m., New York City time, on the second business day preceding the applicable payment date from three recognised foreign exchange dealers for the purchase by the quoting dealer of the Specified Currency for U.S. Dollars for settlement on the applicable payment date in a tradable amount consistent with accepted market practice.

One of the dealers providing quotations may be the exchange rate agent unless the exchange rate agent is an affiliate of the Issuer or the Guarantor. If no mid-exchange rate quotations are available, the exchange rate agent will determine the market exchange rate at its sole discretion in accordance with acceptable market practice and the terms of the applicable Series of Notes and with any applicable arrangements between the Issuer and/or the Guarantor, as applicable and the exchange rate agent.

The above provisions do not apply if the applicable Specified Currency for a Series of Notes is unavailable because it has been replaced by the euro, in which case Condition 4 (Redenomination) shall apply with respect to such Series.

Any payment made in U.S. Dollars or an applicable Replacement Currency as described above where the required payment is in an unavailable Specified Currency will not constitute an Event of Default.

The exchange rate agent to be appointed by the Issuer or the Guarantor may be one of the Issuer’s or Guarantor's affiliates, and, from time to time after the initial appointment of an exchange rate agent, the Issuer and/or the Guarantor, as applicable, may appoint one or more different exchange rate agents for an applicable Series of Notes without consent from the holders of such Series of Notes and without notifying such holders of the change. The exchange rate agent will determine the applicable rate of exchange that would apply to a payment made in U.S. Dollars or a Replacement Currency in its sole discretion unless the applicable Final Terms state that any such determination requires the Issuer’s or the Guarantor's approval. Absent manifest error, those determinations will be final and binding on holders of the applicable Series of Notes, the Principal Agent and the Issuer and Guarantor.

For purposes of this Condition 8(B), unless otherwise specified in the applicable Final Terms, the term "business day" means any weekday that is not a legal holiday in New

York, New York or Charlotte, North Carolina and is not a day on which banking institutions in those cities are authorised or required by law or regulation to be closed.

9. **Taxation**

The Issuer or (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor will, subject to certain limitations and exceptions (set forth below), pay to a Noteholder who is a United States Alien or (in the case of Notes issued by MLBV) a Netherlands Non-resident (each as defined below) such additional amounts ("**Additional Tax Amounts**") as may be necessary so that every net payment of principal or interest or other amount with respect to the Notes or (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantee after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon such Noteholder or by reason of the making of such payment, by the United States or the Netherlands (as applicable) or any political subdivision or taxing authority of or in the United States or the Netherlands (as applicable), as the case may be, will not be less than the amount provided for in the Notes or the relevant Guarantee (as applicable) to be then due and payable, as the case may be. Neither the Issuer nor (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor shall be required to make any payment of Additional Tax Amounts for or on account of:

(a) any tax, assessment or other governmental charge which would not have been imposed but for (i) the existence of any present or former connection between such Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Noteholder if such Noteholder is an estate, trust, partnership or corporation) and the United States or the Netherlands (as applicable), as the case may be, including, without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident or treated as a resident of the United States or the Netherlands (as applicable), as the case may be, or being or having been present or engaged in a trade or business in the United States or the Netherlands (as applicable), as the case may be, or having or having had a permanent establishment in the United States or the Netherlands (as applicable), as the case may be, or (ii) the presentation of a Note for payment on a date more than 15 calendar days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(b) any estate, inheritance, gift, sales, transfer, excise, wealth or personal property or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge imposed by reason of such Noteholder's past or present status as a personal holding company, foreign personal holding company, passive foreign investment company, private foundation, or other tax-exempt entity, or controlled foreign corporation for United States tax purposes or a corporation which accumulates earnings to avoid United States federal income tax;

(d) any tax, assessment or other governmental charge which is payable otherwise than by withholding from payments of principal or interest or other amount with respect to the Notes;

(e) any tax, assessment or other governmental charge imposed as a result of such Noteholder's past or present status as the actual or constructive owner of 10 per cent. or more of the total combined voting power of all classes of stock of the Issuer entitled to vote;

(f) any tax, assessment or other governmental charge imposed as a result of such Noteholder being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(g) any tax, assessment or other governmental charge which would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence, identity or connection with the

United States or the Netherlands (as applicable), as the case may be, of the Noteholder or of the beneficial owner of such Note, if such compliance is required by statute or by Regulation of the U.S. Department of the Treasury or of the relevant Netherlands authority (as applicable), as the case may be, as a precondition to relief or exemption from such tax, assessment or other governmental charge;

(h) in the case of Notes issued by BAC or BofA Finance, any tax, assessment, or other government charge imposed on a payment of principal or interest (or any other payment) on any Note which is an Index Linked Note, Share Linked Note, GDR/ADR Linked Note, FX Linked Note, Commodity Linked Note, Fund Linked Note, Inflation Linked Note, Credit Linked Note, Preference Share Linked Note or Note linked to other Reference Item(s) and in respect of which the holder may not receive at least 90 per cent. of the Specified Denomination per Note (or, in the case of a Partly Paid Note, 90 per cent. of the amount paid up in respect of such Note or, in the case of a Zero Coupon Note, 90 per cent. of the Amortised Face Amount of such Note);

(i) any tax, assessment, or governmental charge imposed solely because the payment is to be made by a particular Paying Agent or a particular office of a Paying Agent and would not be imposed if made by another agent or by another office of this agent;

(j) any tax, assessment, or other governmental charge that is imposed or withheld by reason of the application of Sections 1471 through 1474 of the Code (or any successor provisions), any regulation, pronouncement, or agreement thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, whether currently in effect or as published and amended from time to time, or any intergovernmental agreement entered into in connection with the implementation of such provisions of the Code;

(k) any tax, assessment, or other governmental charge that is imposed or withheld by reason of the payment being treated as a dividend or "dividend equivalent" for United States tax purposes; or

(l) any combination of paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), (j) and (k) above,

nor shall Additional Tax Amounts be paid to any United States Alien or Netherlands Non-resident (as applicable), as the case may be, which is a fiduciary or partnership or other than the sole beneficial owner of the Note to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner of the Note would not have been entitled to payment of the Additional Tax Amounts had such beneficiary, settlor, member or beneficial owner been the holder of the Note.

The term "**United States Alien**" means any corporation, partnership, entity, individual, or fiduciary that is for United States federal income tax purposes (1) a foreign corporation, (2) a foreign partnership to the extent one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual, or a foreign estate or trust, (3) a non-resident alien individual, or (4) a foreign estate or trust.

The term "**Netherlands Non-resident**" means any individual, corporation, partnership or any other entity that for Netherlands tax purposes is a non-resident individual, non-resident corporation, non-resident partnership or any other non-resident entity.

10. Prescription

The Notes issued by MLBV will become void unless presented for payment or delivery within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined below) therefor.

As used herein, the "**Relevant Date**" means the date on which such payment or delivery first becomes due, except that, if the full amount of any moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14 (*Notices*).

For Notes issued by BAC and Notes issued by BofA Finance, under New York's statute of limitations generally, any legal action to enforce the payment obligations of the relevant Issuer or, in the case of Notes issued by BAC, delivery obligations, evidenced by such Notes and/or, in the case of Notes issued by BofA Finance, the payment obligations of the Guarantor evidenced by the BofA Finance Guarantee of such Notes must be commenced within six years after payment or, in the case of Notes issued by BAC, delivery, is due. Under New York's statute of limitations generally, the payment or delivery obligations of the Guarantor evidenced by the MLBV/MLICo. Guarantee of MLBV Notes must be commenced within six years after payment or delivery is due. Thereafter, such payment or delivery obligations will generally become unenforceable.

11. Events of Default and Rights of Acceleration

(A) *Notes issued by MLBV*

The occurrence of one or more of the following events with respect to any Series of Notes issued by MLBV shall constitute an "**Event of Default**" with respect to such Series:

(a) default shall be made in the payment of any amount of interest due in respect of any such Notes and the default continues for a period of 30 calendar days after the due date; or

(b) default shall be made in the payment of any principal of any such Notes or in the delivery when due of the Entitlement in respect of any such Notes (in each case whether at maturity or upon redemption or otherwise), and such default continues for a period of 30 calendar days after the due date; or

(c) MLBV shall fail to perform or observe any other term, covenant or agreement contained in the Terms and Conditions applicable to any of such Notes or in the English Law Agency Agreement for the period of 90 calendar days after the date on which written notice of such failure, requiring MLBV to remedy the same, first shall have been given to the Principal Paying Agent and MLBV by Holders of at least 33 per cent. of the aggregate principal amount of any such Notes outstanding; or

(d) a court having jurisdiction in the premises shall have entered a decree or order granting relief with respect to MLBV in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of MLBV of all or substantially all of its property or for the winding up or liquidation of its affairs, and such decree or order shall have remained in force and unstayed for a period of 60 consecutive calendar days; or

(e) MLBV shall institute proceedings for relief under any applicable bankruptcy, insolvency or any other similar law now or hereafter in effect, or shall consent to the institution of any such proceedings against it, or shall consent to the appointment of a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of it or of all or substantially all of its property, or shall make an assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of any of the foregoing; or

(f) any other events of default specified for a Series of Notes in the Final Terms.

If an Event of Default shall occur and be continuing with respect to any Series of Notes issued by MLBV, then the Holders of at least 33 per cent. in aggregate principal amount of such Notes outstanding may, at their option, declare such Notes to be due and payable immediately at the Early Redemption Amount, together with interest, if any, accrued thereon by written notice to MLBV, the Guarantor (if applicable) and the Principal Paying Agent at its main office in London, and if any such default is not waived in accordance with Condition 11(E) or cured by MLBV or the Guarantor (if applicable), as

the case may be, prior to receipt of such written notice, such Notes shall become and be immediately due and payable at the Early Redemption Amount, together with the interest, if any, accrued on such Notes.

An Event of Default will not occur and there will not be any right to accelerate payment of principal, the interest accrued, or any other amounts then payable thereon (and Additional Tax Amounts, if any) of any Series of Notes of MLBV as a result of a covenant breach by the Guarantor (if applicable).

(B) *Notes issued by BAC*

The occurrence of any of the following events with respect to any Series of Notes issued by BAC shall constitute an "**Event of Default**" with respect to such Series:

(a) BAC shall fail to pay the principal amount of any of such Notes or in the delivery of the Entitlement when due whether at maturity or upon early redemption or otherwise, and continuance of such default for a period of 30 calendar days; or

(b) BAC shall fail to pay any instalment of interest, other amounts payable, or Additional Tax Amounts on any of such Notes for a period of 30 calendar days after the due date; or

(c) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of BAC in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation, or other similar law now or hereafter in effect, or appointing a receiver, liquidator, conservator, assignee, custodian, trustee, or sequestrator (or similar official) of BAC or for any substantial part of its property or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 60 consecutive calendar days; or

(d) BAC shall commence a voluntary case or proceeding under any applicable bankruptcy, insolvency, liquidation, receivership, reorganisation, or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, conservator, assignee, trustee, custodian, or sequestrator (or similar official) of BAC or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due or shall take any corporate action in furtherance of any of the foregoing; or

(e) any other events of default specified for a Series of Notes in the Final Terms.

If an Event of Default occurs and is continuing with respect to any Series of Notes issued by BAC, then the Noteholders of at least 25.00 per cent. in aggregate principal amount of such Notes outstanding, by written notice to BAC, the Registrar and the Principal Paying Agent, may declare such Notes to be due and payable immediately at the Early Redemption Amount (together with accrued and unpaid interest (if any) to (but excluding) the date of repayment and Additional Tax Amounts (if any) thereon) and if any such Event of Default is not waived, in accordance with Condition 11(E), prior to or shall continue at the time of receipt of such written notice, such amounts shall become immediately due and payable. Upon payment of such amounts, all of BAC's obligations in respect of payment of principal of, interest on, or any other amounts then payable (and Additional Tax Amounts, if any) on such Notes shall terminate. Interest on overdue principal, interest or any other amounts then payable thereon (and Additional Tax Amounts, if any) shall accrue from the date on which such principal, interest or any other amounts then payable (and Additional Tax Amounts, if any) were due and payable to the date such principal, interest or any other amounts payable (and Additional Tax Amounts, if any) are paid or duly provided for, at the rate borne by such Notes (to the extent payment of such interest shall be legally enforceable).

There will not be any right to accelerate payment of principal, the interest accrued, or any other amounts then payable thereon (and Additional Tax Amounts, if any) of any Series of Notes issued by BAC other than as described in the preceding paragraph. In addition, for the avoidance of doubt, unless otherwise specified in the Final Terms and, unless contemplated by Condition 11(B)(a) or Condition 11(B)(b) and the preceding paragraph with respect to a Series of Notes issued by BAC, there shall not be any right to accelerate payment of principal, the interest accrued, or any other amounts then payable thereon (and Additional Tax Amounts, if any) of any Series of Notes issued by BAC as a result of the failure on the part of BAC to observe or perform any covenants or agreements on the part of BAC contained in such Series of Notes or the Agency Agreement. Further, for the avoidance of doubt, if an Event of Default as described in Condition 11(B)(e) is specified in the Final Terms for a Series of Notes issued by BAC, there will be no right to accelerate payment of principal, the interest accrued, or any other amounts then payable thereon (and Additional Tax Amounts, if any) of such Series of Notes on the terms described in the preceding paragraph unless such acceleration rights are granted specifically in the Final Terms for such Series of Notes.

(C) *Notes issued by BofA Finance*

The occurrence of any of the following events with respect to any Series of Notes issued by BofA Finance shall constitute an "Event of Default" with respect to such Series:

(a) BofA Finance shall fail to pay the principal amount of any of such Notes when due whether at maturity or upon early redemption or otherwise, and continuance of such default for a period of 30 calendar days; or

(b) BofA Finance shall fail to pay any instalment of interest, other amounts payable, or Additional Tax Amounts on any of such Notes for a period of 30 calendar days after the due date; or

(c) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of BofA Finance in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation, or other similar law now or hereafter in effect, or appointing a receiver, liquidator, conservator, assignee, custodian, trustee, or sequestrator (or similar official) of BofA Finance or for any substantial part of its property or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 60 consecutive calendar days; or

(d) BofA Finance shall commence a voluntary case or proceeding under any applicable bankruptcy, insolvency, liquidation, receivership, reorganisation, or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, conservator, assignee, trustee, custodian, or sequestrator (or similar official) of BofA Finance or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due or shall take any corporate action in furtherance of any of the foregoing; or

(e) any other events of default specified for a Series of Notes in the Final Terms.

If an Event of Default occurs and is continuing with respect to any Series of Notes issued by BofA Finance, then the Noteholders of at least 33.00 per cent. in aggregate principal amount of such Notes outstanding, by written notice to BofA Finance, the Guarantor, the Registrar and the Principal Paying Agent, may declare such Notes to be due and payable immediately at the Early Redemption Amount (together with accrued and unpaid interest (if any) to (but excluding) the date of repayment and Additional Tax Amounts (if any) thereon) and if any such Event of Default is not waived, in accordance with Condition 11(E), or cured by BofA Finance or the Guarantor, prior to or shall continue at the time

of receipt of such written notice, such amounts shall become immediately due and payable. Upon payment of such amounts, all of BofA Finance's obligations in respect of payment of principal of, interest on, or any other amounts then payable (and Additional Tax Amounts, if any) on such Notes shall terminate. Interest on overdue principal, interest or any other amounts then payable thereon (and Additional Tax Amounts, if any) shall accrue from the date on which such principal, interest or any other amounts then payable (and Additional Tax Amounts, if any) were due and payable to the date such principal, interest or any other amounts payable (and Additional Tax Amounts, if any) are paid or duly provided for, at the rate borne by such Notes (to the extent payment of such interest shall be legally enforceable).

An Event of Default will not occur and there will not be any right to accelerate payment of principal, the interest accrued, or any other amounts then payable thereon (and Additional Tax Amounts, if any) of any Series of Notes of BofA Finance as a result of a covenant breach by the Guarantor.

(D) At any time after any Series of Notes has become due and payable following a declaration of acceleration made in accordance with this Condition 11 and before a judgment or decree for payment of the money due with respect to such Notes has been obtained by any Noteholder of such Notes, such declaration and its consequences may be rescinded and annulled upon the written consent of Noteholders of a majority in aggregate principal amount of such Notes then outstanding, or by resolution adopted by a majority in aggregate principal amount of such Notes outstanding present or represented at a meeting of Noteholders of such Notes at which a quorum is present, as provided in the applicable Agency Agreement, if:

(i) (A) the Issuer has paid, or has deposited with the relevant clearing system, a sum sufficient to pay:

(1) all overdue amounts of interest on such Notes;

(2) the principal of such Notes which has become due otherwise than by such declaration of acceleration; or

(B) in the case of Notes to be redeemed by physical delivery, the Issuer has delivered the relevant assets to any agent appointed by the Issuer to deliver such assets to the Noteholders; and

(ii) all Events of Default with respect to such Notes, other than the non-payment of the principal of such Notes which has become due solely by such declaration of acceleration, have been cured or waived as provided in Condition 11(E) below.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

(E) Any default by the Issuer or (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor, other than the events described in Condition 11(A)(a), Condition 11(A)(b), Condition 11(B)(a) or Condition 11(B)(b), or Condition 11(C)(a) or Condition 11(C)(b) may be waived by the written consent of Noteholders of a majority in aggregate principal amount of such Notes then outstanding affected thereby, or by resolution adopted by a majority in aggregate principal amount of such Notes then outstanding present or represented at a meeting of Noteholders of such Notes affected thereby at which a quorum is present, as provided in the applicable Agency Agreement. Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the applicable Agency Agreement, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

12. Replacement of Notes

Should any Note be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and

expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

13. **Paying Agents, Registrar and Calculation Agent**

(A) *Paying Agents and Registrar*

The names of the initial Paying Agent and the Registrar and their initial specified offices are as set out at the end of these Terms and Conditions.

The Issuer and (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor are entitled to vary or terminate the appointment of any Paying Agent or the Registrar and/or appoint additional or other Paying Agents or Registrars and/or approve any change in the specified office through which any Paying Agent or Registrar acts, provided that:

(a) there will at all times be a Principal Paying Agent and a Registrar (which, in the case of the Registrar, shall be an entity with a specified office outside the United Kingdom);

(b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent, which may be the Principal Paying Agent, with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(c) there will at all times be a Paying Agent (which may be the Principal Paying Agent) in a jurisdiction within Europe other than any jurisdiction in which the Issuer, or, in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV, the Guarantor, is incorporated;

(d) so long as any of the Notes issued by MLBV are represented by a Rule 144A Global Note held through DTC, there shall be a U.S. Paying Agent; and

(e) there shall at all times be a Calculation Agent.

Notice of any variation, termination, appointment or change in the Paying Agents or the Registrar will be given to the Noteholders in accordance with Condition 14 (*Notices*) provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such variation, termination or changes.

In acting under the applicable Agency Agreement, the Paying Agents and the Registrar act solely as agents of the Issuer and (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor and do not assume any obligation to, or relationship of agency or trust with, any Noteholders. The applicable Agency Agreement contains provisions permitting any entity into which any Paying Agent or the Registrar is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent or registrar, as applicable.

(B) *Calculation Agent*

In relation to each issue of Notes, the Calculation Agent (whether it be Merrill Lynch International, BofA Securities Europe SA or another entity) acts solely as agent of the Issuer and (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Noteholders. All calculations and determinations made in respect of the Notes by the Calculation Agent shall be in its sole and absolute discretion (unless, in respect of the particular calculation or determination to be made, the Terms and Conditions provide that it shall be made in a "commercially reasonable manner"), in good faith, and shall (save in the case of negligence, wilful default or bad

faith, manifest error or proven error) be final, conclusive and binding on the Issuer, (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor, the Paying Agents and the Noteholders. The Calculation Agent shall promptly notify the Issuer and the Principal Paying Agent upon any such calculations and determinations, and (in the absence of negligence, wilful default or bad faith) no liability to the Issuer, (in the case of Notes issued by BofA Finance or (other than Secured Notes) MLBV) the Guarantor, the Paying Agents, the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

14. **Notices**

All notices regarding the Notes will be deemed to be validly given:

(a) if, in respect of notices to Holders of Definitive Registered Notes, mailed to them at their respective addresses in the Register. Such notices will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing;

(b) if, in respect of any Notes that are admitted to trading on the Luxembourg Stock Exchange's Euro MTF, and listed on the Official List, of the Luxembourg Stock Exchange, published on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers; or

(c) as otherwise specified in the applicable Final Terms.

Until such time as any Individual Note Certificates are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, as the case may be, be substituted for such publication in such newspaper(s) (as described in Condition 14(b)) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, as applicable for communication by them to the Holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Holders of the Notes on the day on which such notice was given to Euroclear and/or Clearstream, Luxembourg, as applicable.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with, in the case of Definitive Registered Notes, the related Individual Note Certificate (if applicable), with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15. **Meetings of Noteholders, Modification and Waiver**

(A) *Meeting of Noteholders*

The applicable Agency Agreement contains provisions for convening meetings of the Holders of Notes of a particular Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of such Notes or any of the provisions of the applicable Agency Agreement.

(a) *Notes issued by BAC and BofA Finance*

In the case of Notes issued by BAC or BofA Finance, such a meeting may be convened by the Principal Paying Agent, the relevant Issuer or the Guarantor (if applicable) and shall be convened by the Principal Paying Agent, the relevant Issuer or the Guarantor (if applicable) if required in writing by the Noteholders holding not less than 10 per cent. in nominal amount of the Notes of the affected Series for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons present and holding or representing in the aggregate more than 50 per cent. in principal amount of the Notes of the affected Series for the time being outstanding, or at any adjourned meeting the percentage of the aggregate principal amount of the Notes expressly stated in the notice reconvening the adjourned meeting, except that at any meeting the business of which includes the modification of certain provisions of the Notes (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes except, in each case, in accordance with these Conditions), the quorum shall be one or more persons present and holding or representing not less than three-quarters in principal amount of the Notes of the affected Series for the time being outstanding, or at any adjourned such meeting one or more persons present and holding or representing not less than one-quarter in principal amount of the Notes of the affected Series for the time being outstanding.

An Extraordinary Resolution passed at any meeting of the Holders of the Notes of a particular Series shall be binding on all the Holders of Notes of such Series, whether or not they are present at the meeting.

An Extraordinary Resolution may also be effected in writing signed or electronically approved using the systems and procedures in place from time to time of a relevant clearing system by or on behalf of all the Noteholders.

(b) *Notes issued by MLBV*

In the case of Notes issued by MLBV, such a meeting may be convened by MLBV or the Guarantor (if applicable) and shall be convened by MLBV or the Guarantor (if applicable) if required in writing by the Noteholders holding not less than 33 per cent. in nominal amount of the Notes of the affected Series for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons present and holding or representing in the aggregate not less than 50 per cent. in nominal amount of the Notes of the affected Series for the time being outstanding, or at any adjourned meeting one or more persons present whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the Entitlement or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes except, in each case, in accordance with these Conditions), the quorum shall be one or more persons present and holding or representing not less than two-thirds in nominal amount of the Notes of the affected Series for the time being outstanding, or at any adjourned such meeting one or more persons present and holding or representing not less than one-third in nominal amount of the Notes of the affected Series for the time being outstanding.

An Extraordinary Resolution passed at any meeting of the Holders of the Notes of a particular Series shall be binding on all the Holders of Notes of such Series, whether or not they are present at the meeting.

An Extraordinary Resolution may also be effected in writing signed or electronically approved using the systems and procedures in place from time to time of a relevant clearing system by or on behalf of all the Noteholders.

(B) *Modification*

The Principal Paying Agent and each Issuer may agree, without the consent of the Noteholders to:

(a) any modification (except as mentioned above) of the Notes or the applicable Agency Agreement which is not prejudicial to the interests of the Noteholders; or

(b) any modification of the Notes or the applicable Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 (*Notices*) as soon as practicable thereafter.

16. **Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

If the Issuer issues further Notes of the same Series during the initial 40-day restricted period applicable to the outstanding Notes of such Series, then such 40-day period will be extended until 40 calendar days after the later of the commencement of the offering of such further issue of Notes and the Issue Date of such further issue of Notes. In addition, if the Issuer issues further Notes of the same Series after the expiration of the 40-day restricted period, a new 40-day restricted period will be applied to such further issue of Notes without applying to the outstanding Notes. After the expiration of the new 40-day restricted period, all such Notes will be consolidated with and form a single Series with the outstanding Notes.

17. **Consolidation or Merger**

(A) *Notes issued by MLBV or BofA Finance*

The relevant Issuer or the Guarantor (if applicable) may not consolidate with, or sell or convey all or substantially all of its assets to, or merge with or into any other entity, other than in the case of the Guarantor, a sale or conveyance of all or substantially all of its assets to one or more Subsidiaries (as defined below), unless (i) (a) in the case of the relevant Issuer, either the relevant Issuer shall be the continuing company, or the successor entity (if other than the relevant Issuer) shall expressly assume the due and punctual payment of all amounts or delivery of all assets, as the case may be, (including Additional Tax Amounts as provided in Condition 9 (*Taxation*)) payable or deliverable, as applicable, with respect to the Notes, according to their tenor, and the due and punctual performance and observance of all of the obligations under the Conditions to be performed by the relevant Issuer by an amendment to the applicable Agency Agreement executed by, *inter alios*, such successor entity, the Guarantor, the Registrar and the Principal Paying Agent, and (b) in the case of the Guarantor, the Guarantor shall be the continuing company, or the successor entity (if other than the Guarantor) shall be organised and existing under the laws of the United States or a state thereof or the District of Columbia and such successor entity shall expressly assume the due and punctual payment of all amounts or delivery of all assets, as the case may be, (including Additional Tax Amounts as provided in Condition 9 (*Taxation*)) payable or deliverable, as applicable, with respect to the relevant Guarantee by the execution of a new guarantee of like tenor and (ii) immediately after giving effect to such transaction, no Event of Default under Condition 11 (*Events of Default and Rights of Acceleration*), and no event which, with notice or lapse of time or both, would become such an Event of Default shall have happened and be continuing. In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor entity, such successor entity shall succeed to and be substituted for the relevant Issuer or the Guarantor, as the case

may be, with the same effect as if it had been named herein as the relevant Issuer or the Guarantor, as the case may be, and the relevant Issuer or the Guarantor, as the case may be, except in the event of a conveyance by way of lease, shall be relieved of any further obligations under the Conditions, the applicable Agency Agreement and the relevant Guarantee, as applicable.

"**Subsidiary**" means any entity of which more than 50% of the voting power of the outstanding ownership interests (excluding ownership interests entitled to voting power only by reason of the happening of a contingency) shall at the time be owned, directly or indirectly, by the Guarantor, or one or more Subsidiaries, or by the Guarantor and one or more Subsidiaries. For this purpose, "**voting power**" means power to vote in an ordinary election of directors (or, in the case of an entity that is not a corporation, ordinarily to appoint or approve the appointment of entities holding similar positions).

(B) *Notes issued by BAC*

The Issuer may not consolidate with, or sell or convey all or substantially all of its assets to, or merge with or into any other entity, other than a sale or conveyance of all or substantially all of its assets to one or more Subsidiaries (as defined below), unless (i) either the Issuer shall be the continuing company, or the successor entity (if other than the Issuer) shall be organised and existing under the laws of the United States or a state thereof or the District of Columbia and such successor entity shall expressly assume the due and punctual payment of all amounts or delivery of all assets, as the case may be, (including Additional Tax Amounts as provided in Condition 9 (*Taxation*)) payable or deliverable, as applicable, with respect to the Notes, according to their tenor, and the due and punctual performance and observance of all of the obligations under the Conditions to be performed by the Issuer by an amendment to the New York Law Agency Agreement executed by, *inter alios*, such successor entity, the Registrar and the Principal Paying Agent, and (ii) immediately after giving effect to such transaction, no Event of Default under Condition 11 (*Events of Default and Rights of Acceleration*), and no event which, with notice or lapse of time or both, would become such an Event of Default shall have happened and be continuing. In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor entity, such successor entity shall succeed to and be substituted for the Issuer with the same effect as if it had been named herein as the Issuer, and the Issuer, except in the event of a conveyance by way of lease, shall be relieved of any further obligations under the Conditions and the New York Law Agency Agreement.

"**Subsidiary**" means any entity of which more than 50% of the voting power of the outstanding ownership interests (excluding ownership interests entitled to voting power only by reason of the happening of a contingency) shall at the time be owned, directly or indirectly, by the Issuer, or one or more Subsidiaries, or by the Issuer and one or more Subsidiaries. For this purpose, "**voting power**" means power to vote in an ordinary election of directors (or, in the case of an entity that is not a corporation, ordinarily to appoint or approve the appointment of entities holding similar positions).

18. Business Days

In these Terms and Conditions, "**Business Day**" means a day which is:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and (in the case of Notes issued by BofA Finance or BAC) New York City and each Additional Business Centre specified in the applicable Final Terms, provided that if the Additional Business Centre is specified in the applicable Final Terms to be or to include "TARGET", then Business Day shall also be a day on which the TARGET2 System is operating;

(B) also (1) for any sum payable in a Specified Currency other than euro or CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits)

in the principal financial centre(s) of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland respectively) or (2) for any sum payable in euro, a day on which the TARGET2 System is operating, or (3) for any sum payable in CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the CNY Settlement Centre; and

(C) where Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, a Banking Day (as defined in Annex 17).

19. **Contracts (Rights of Third Parties) Act 1999**

In the case of Notes issued by MLBV, no person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. **Governing Law and Submission to Jurisdiction**

(A) *Governing law*

The English Law Agency Agreement, the MLBV Notes Deed of Covenant and the Notes issued by MLBV and any non-contractual obligations arising out of or in connection with the English Law Agency Agreement, the MLBV Notes Deed of Covenant and such Notes (including without limitation any dispute, controversy, proceedings or claim of whatever nature (whether contractual, non-contractual or otherwise) arising out of or in any way relating to the English Law Agency Agreement, the MLBV Notes Deed of Covenant and the Notes issued by MLBV or their respective formation) shall be governed by, and construed in accordance with, English law.

The New York Law Agency Agreement, the Notes issued by BofA Finance and BAC and the Guarantees shall be governed by, and construed in accordance with, the laws of the State of New York, United States, applicable to agreements made and to be performed wholly within such jurisdiction without regard to principles of conflicts of laws.

(B) *Submission to jurisdiction*

In relation to any legal action or proceedings ("**Proceedings**") arising out of or in connection with the Notes issued by MLBV, the courts of England have exclusive jurisdiction and MLBV and the Noteholders submit to the exclusive jurisdiction of the English courts. MLBV and the Noteholders waive any objection to Proceedings in the English courts on the grounds of venue or that the Proceedings have been brought in an inconvenient forum.

In relation to Proceedings arising out of or in connection with the Notes issued by BofA Finance, the courts of the State of New York or the courts of the United States of America located in the Borough of Manhattan in the City and State of New York have non-exclusive jurisdiction and BofA Finance and the Noteholders submit to the non-exclusive jurisdiction of such courts of the State of New York or courts of the United States of America solely for the purposes of any legal action or proceeding brought to enforce BofA Finance's obligations under the New York Law Agency Agreement or the Notes issued by BofA Finance. BofA Finance and the Noteholders waive any objection to such courts of the State of New York or courts of the United States of America on the grounds of venue or that the Proceedings have been brought in an inconvenient forum.

In relation to Proceedings arising out of or in connection with the Notes issued by BAC, the courts of the State of New York or the courts of the United States of America located in the Borough of Manhattan in the City and State of New York have non-exclusive jurisdiction and BAC and the Noteholders submit to the non-exclusive jurisdiction of such courts of the State of New York or courts of the United States of America solely for

the purposes of any legal action or proceeding brought to enforce BAC's obligations under the New York Law Agency Agreement or the Notes issued by BAC. BAC and the Noteholders waive any objection to such courts of the State of New York or courts of the United States of America on the grounds of venue or that the Proceedings have been brought in an inconvenient forum.

For greater certainty, the Guarantor has not submitted to the jurisdiction of the English courts in the Guarantees, and claims under the Guarantees are required to be instituted in the courts of the State of New York or the courts of the United States of America located in the Borough of Manhattan in the City and State of New York, United States.

(C) *Express Acknowledgement of the U.S. Special Resolution Regimes*

In the event the Issuer, the Guarantor or, in respect of Secured Notes, the Secured Instruments Collateral Provider, becomes subject to a proceeding under the U.S. Federal Deposit Insurance Act or Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (each, a "**U.S. Special Resolution Regime**"), the transfer of the Notes and/or the Guarantee (together, the "**Relevant Obligations**"), and the transfer of any interest and obligation in or under, and any property securing, the Relevant Obligations, from the Issuer, the Guarantor or, in respect of Secured Notes, the Secured Instruments Collateral Provider, respectively, will be effective to the same extent as the transfer would be effective under such U.S. Special Resolution Regime if the Relevant Obligations, and any interest and obligation in or under, and any property securing, the Relevant Obligations, were governed by the laws of the United States or a state of the United States. In the event the Issuer, the Guarantor, or, in respect of Secured Notes, the Secured Instruments Collateral Provider, or any of their affiliates (as such term is defined in, and interpreted in accordance with, 12 U.S.C. § 1841(k)) becomes subject to a proceeding under a U.S. Special Resolution Regime, default rights against the Issuer, the Guarantor or, in respect of Secured Notes, the Secured Instruments Collateral Provider, with respect to the Relevant Obligations are permitted to be exercised to no greater extent than such default rights could be exercised under such U.S. Special Resolution Regime if the Relevant Obligations were governed by the laws of the United States or a state of the United States. For purposes of this paragraph, "**default right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. § 252.81, 12 C.F.R. § 382.1 and 12 C.F.R. § 47.1, as applicable.

(D) *Appointment of Process Agent*

MLBV hereby appoints Bank of America, National Association, London Branch currently at 2 King Edward Street, London EC1A 1HQ (Att: General Counsel EMEA) as its agent in England to receive service of process in any Proceedings in England. If for any reason such process agent ceases to act as such or no longer has an address in England, MLBV agrees to appoint a substitute process agent and to notify the Holders of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

BAC hereby appoints CT Corporation System at 28 Liberty Street, New York, New York 10005 as its agent upon whom process may be served in any suit, action, or proceeding relating to or arising out of the New York Law Agency Agreement or the Notes issued by BAC and with a copy to BAC at Bank of America Corporation, Bank of America Corporate Center, NC1-007-06-10, 100 North Tryon Street, Charlotte, North Carolina 28255-0065, Attn: Corporate Treasury - Global Funding Transaction Management, and with an additional copy to Bank of America Corporation, Legal Department, NC1-027-18-05, 150 North College Street, Charlotte, North Carolina 28255-0065, Attn: General Counsel.

BofA Finance hereby appoints CT Corporation System at 28 Liberty Street, New York, New York 10005 as its agent upon whom process may be served in any suit, action, or proceeding relating to or arising out of the New York Law Agency Agreement or the Notes issued by BofA Finance and with a copy to BofA Finance at Bank of America Corporation, Bank of America Corporate Center, NC1-007-06-10, 100 North Tryon

Street, Charlotte, North Carolina 28255-0065, Attn: Corporate Treasury - Global Funding Transaction Management, and with an additional copy to Bank of America Corporation, Legal Department, NC1-027-18-05, 150 North College Street, Charlotte, North Carolina 28255-0065, Attn: General Counsel.

FORM OF FINAL TERMS OF THE CASH SETTLED EXCHANGEABLE NOTES

[**IMPORTANT - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Exchangeable Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended or superseded ("**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97, as amended or superseded (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended or superseded, the "**EU PRIIPs Regulation**") for offering or selling the Exchangeable Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Exchangeable Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.][47]

[**IMPORTANT - PROHIBITION OF SALES TO UK RETAIL INVESTORS** - The Exchangeable Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK (as defined below). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA (as defined below) and the regulations made under the EUWA; (ii) a customer within the meaning of the provisions of the FSMA (as defined below) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Exchangeable Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Exchangeable Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.][48]

[**PROHIBITION OF OFFERING AND MARKETING TO SWISS PRIVATE CLIENTS** - The Exchangeable Notes are not intended to be offered, sold, marketed or otherwise made available to and shall not be offered, sold, marketed or otherwise made available to any private client in Switzerland other than in the context of a portfolio management agreement within the meaning of article 58(2) of the Swiss Financial Services Act ("**FinSA**") and article 83 of the Swiss Financial Services Ordinance ("**FinSO**"). No [simplified prospectus or][49] key information document within the meaning of article 58 FinSA (or equivalent document) has been prepared with respect to the Exchangeable Notes.][50]

[**Notification under Section 309B(1) of the Securities and Futures Act 2001** (the "**SFA**"): The Exchangeable Notes are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][51]

[*Date*]

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47 Include where the Exchangeable Notes will not be offered, sold or otherwise made available to any retail investor in the European Economic Area.

48 Include where the Exchangeable Notes will not be offered, sold or otherwise made available to any retail investor in the UK.

49 Remove reference to "simplified prospectus" if Notes are offered and marketed after 31 December 2022.

50 Consider including where the Exchangeable Notes are being offered and marketed in or into Switzerland only to professional or institutional clients, and where no simplified prospectus or Swiss key investor document (or equivalent document) is available.

51 Applicable where offers are made under Section 275(1A) of the Securities and Futures Act 2001, as designated in the relevant Singapore selling restrictions in the documents for the relevant Exchangeable Notes and such Exchangeable Notes are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

MERRILL LYNCH B.V.

LEI: 549300RQ1D1WIE085245

Issue of [Aggregate Nominal Amount of Tranche] Cash Settled Exchangeable Notes

under the Bank of America Corporation, BofA Finance LLC, Merrill Lynch B.V. and Merrill Lynch International & Co. C.V.

Note, Warrant and Certificate Programme

unconditionally and irrevocably guaranteed as to payment and delivery obligations by Bank of America Corporation

[*Include the following warning for all Exchangeable Notes where capital is at risk:*

INVESTING IN THE EXCHANGEABLE NOTES PUTS YOUR CAPITAL AT RISK. YOU MAY LOSE SOME [OR ALL] OF YOUR INVESTMENT.]

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Cash Settled Exchangeable Notes (the "**Exchangeable Notes**") in any Member State of the European Economic Area (each, a "**Member State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended or superseded, the "**EU Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Exchangeable Notes. Accordingly any person making or intending to make an offer of the Exchangeable Notes in that Member State may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Exchangeable Notes in any other circumstances.

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Exchangeable Notes in the United Kingdom (the "**UK**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") and regulations made under the EUWA (the "**UK Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Exchangeable Notes. Accordingly any person making or intending to make an offer of the Exchangeable Notes in the UK may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Exchangeable Notes in any other circumstances.

[Neither this document nor any other offering or marketing material relating to the Exchangeable Notes constitutes a prospectus as such term is understood pursuant to the Swiss Financial Services Act ("**FinSA**") and neither this document nor any other offering or marketing material relating to the Exchangeable Notes may be publicly distributed or otherwise made publicly available in Switzerland, except in instances where such marketing, offering or distribution does not require the publication of a prospectus pursuant to the FinSA.][52]

The Exchangeable Notes are unsecured and are not and will not be savings accounts, deposits or obligations of, or otherwise guaranteed by, any bank. The Exchangeable Notes do not evidence deposits of Bank of America, N.A. or any other bank and are not insured by the U.S. Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other insurer or governmental agency or instrumentality.

The Exchangeable Notes [and the MLBV/MLICo. Guarantee][53] have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under any U.S. state

[52] Include where Exchangeable Notes are marketed, offered or sold in or into Switzerland and in respect of Notes for which "Swiss Non-Exempt Public Offer" is specified as "No".

[53] For fungible and straddle trades, references herein should reflect the applicable guarantee.

securities laws and the Exchangeable Notes may not be offered, sold, resold, traded, transferred, pledged, delivered or redeemed, directly or indirectly, at any time within the United States or to, or for the account or benefit of, any U.S. person. For the purposes hereof, "**U.S. person**" has the meaning ascribed to it by Regulation S under the Securities Act.

The purchase of Exchangeable Notes involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Exchangeable Notes. Before making an investment decision, prospective purchasers of Exchangeable Notes should ensure that they understand the nature of the Exchangeable Notes and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in the Offering Circular (including the section headed "Risk Factors" thereof) and these Final Terms.

[For a description of the key features and mechanics of the Instrument, including loss potential, see also description of the instrument under the corresponding SSPA code in "*Annex 18: Swiss Product Description*" in the Offering Circular.] [54]

[**Unregulated Instruments: The Instruments do not constitute a participation in a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act and are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA.**

None of the Exchangeable Notes constitutes a participation in a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act. Therefore, none of the Exchangeable Notes is subject to approval, registration or supervision by the Swiss Financial Market Supervisory Authority FINMA or any other regulatory authority in Switzerland. Accordingly, potential purchasers do not have the benefit of the specific investor protection provided under the Swiss Collective Investment Schemes Act and are exposed to the credit risk of the Issuer and Guarantor.][55]

[*Insert any specific additional risk factors (relating only to the tranche of Exchangeable Notes documented by these Final Terms)*]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated 13 May 2022 (the "**Offering Circular**") as supplemented by the supplement(s) to the Offering Circular approved by the Luxembourg Stock Exchange from time to time, which are available at www.bourse.lu. This document constitutes the Final Terms of the Exchangeable Notes described herein and must be read in conjunction with the Offering Circular and any supplements thereto. Full information on the Issuer[, the Guarantor] and the offer of the Exchangeable Notes is only available on the basis of the combination of these Final Terms and the Offering Circular and any supplements thereto. The Offering Circular and the supplement(s) to the Offering Circular are available for viewing and can be obtained during normal business hours at the registered office of the relevant Dealer and at the specified office of the Principal Paying Agent and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under the Original Base Prospectus/Offering Circular (as defined below).*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Offering Circular dated [18 May 2018] [16 May 2019] [14 May 2020] [14 May 2021] (the "**Original Offering Circular**") which are incorporated by reference in the Offering Circular dated 13 May 2022 (the "**Offering Circular**") as supplemented by the supplement(s) to the Offering Circular approved by the Luxembourg Stock Exchange from time to time, which are available at www.bourse.lu. This document constitutes the Final Terms of the Exchangeable Notes described herein and must be read in conjunction with the Offering Circular and any supplements thereto, including the Conditions incorporated by reference in the Offering Circular as supplemented. Full information on the Issuer, the Guarantor and the offer of the Exchangeable Notes is only available on the basis of the

[54] Include only for Swiss Non-Exempt Public Offers.

[55] Include in the case of Exchangeable Notes being marketed, offered or sold in or into Switzerland.

combination of these Final Terms and the Offering Circular and any supplements thereto (including those sections of the Original Offering Circular incorporated by reference therein). The Original Offering Circular and the Offering Circular and the supplement(s) to the Offering Circular are available for viewing and can be obtained during normal business hours at the registered office of the relevant Dealer and at the specified office of the Principal Paying Agent and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).]

References herein to numbered Conditions are to the "Terms and Conditions of the Cash Settled Exchangeable Notes" set forth in the Offering Circular and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms, save as where otherwise expressly provided.

Prospective investors should note that the "Terms and Conditions of the Cash Settled Exchangeable Notes" set out in the Offering Circular are governed by, and construed in accordance with, English law[, and the MLBV/MLICo. Guarantee is governed by, and construed in accordance with, the laws of the State of New York.]

No person has been authorised to give any information or make any representation not contained in or not consistent with these Final Terms, or any other information supplied in connection with the Exchangeable Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any Dealer.

By investing in the Exchangeable Notes each investor represents that:

(a) *Non-Reliance. It is acting for its own account, and it has made its own independent decisions to invest in the Exchangeable Notes and as to whether the investment in the Exchangeable Notes is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer, the Guarantor or any Dealer as investment advice or as a recommendation to invest in the Exchangeable Notes, it being understood that information and explanations related to the "Terms and Conditions of the Cash Settled Exchangeable Notes" shall not be considered to be investment advice or a recommendation to invest in the Exchangeable Notes. No communication (written or oral) received from the Issuer, the Guarantor or any Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Exchangeable Notes.*

(b) *Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms and conditions and the risks of the investment in the Exchangeable Notes. It is also capable of assuming, and assumes, the risks of the investment in the Exchangeable Notes.*

(c) *Status of Parties. None of the Issuer, the Guarantor and any Dealer is acting as fiduciary for or adviser to it in respect of the investment in the Exchangeable Notes.*

[*Include whichever of the following apply or specify as "Not Applicable" or delete any inapplicable provision*.]

1.	Issuer:		Merrill Lynch B.V.
2.	Guarantor:		Bank of America Corporation
3.	(a)	Series Number:	[●]
	(b)	Tranche Number:	[●] (*If fungible with an existing Series, include details of that Series, including the date on which the Exchangeable Notes become fungible*)
4.	Specified Currency or Currencies:		[●]

5.	Aggregate Nominal Amount:		
	(a)	[Series:]	[●]
	(b)	[Tranche:]	[●]
6.	Issue Price:		[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)]
7.	(a)	Specified Denominations:	[●] (*Exchangeable Notes (including Exchangeable Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by MLBV in the United Kingdom, or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 and which have a maturity of less than one year must have a redemption value of £100,000 (or its equivalent in other Specified Currencies)*)
	(b)	Calculation Amount:	[●] (*If only one Specified Denomination, insert the Specified Denomination.* *If more than one Specified Denomination, insert the highest common factor. NB: There must be a common factor in the case of two or more Specified Denominations.*)
8.	Trade Date:		[●]
9.	Strike Date:		[●]
10.	[(a)]	Issue Date [and Interest Commencement Date]:	[●]
	[(b)	Interest Commencement Date (if different from the Issue Date):	[●]]
11.	Maturity Date:		[●]
12.	Interest Basis:		[[●] per cent. Fixed Rate] [Non-Interest bearing]
13.	(a)	Status of the Exchangeable Notes:	Senior
	(b)	Status of the MLBV/MLICo. Guarantee:	Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Exchangeable Notes:		[Applicable] [Not Applicable]
	(a)	Rate(s) of Interest:	[●] per cent. per annum [payable [annually] [semi-annually] [quarterly] in arrear]

(b)	Interest Payment Date(s):	[[●] in each year up to and including the Maturity Date] [*specify other*] (*N.B. This will need to be amended in the case of long or short coupons*) [Adjusted] [Unadjusted] (*If the Fixed Interest Period(s) are adjusted, specify the relevant Business Day Convention at paragraph 14(c) below. If Fixed Interest Period(s) are not adjusted, no Business Day Convention should be specified*)
(c)	Business Day Convention:	[Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [*specify other*] [Not Applicable][56]
(d)	Additional Business Centre(s):	[●] [Not Applicable]
(e)	Fixed Coupon Amount(s):	[[●] per Calculation Amount] [Not Applicable]
(f)	Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling on [●]] [Not Applicable] (*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)*)
(g)	Day Count Fraction:	[Actual/Actual (ICMA)] [30E/360] [Eurobond Basis] [*Specify other*] (*N.B. Actual/Actual (ICMA) is normally only appropriate for Fixed Rate Exchangeable Notes denominated in euros*)
(h)	Determination Date(s):	[[●] in each year] [Not Applicable] (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration)*) (*N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
(i)	Other terms relating to the method of calculating interest for Fixed Rate Exchangeable Notes:	[None] [*Give details*]

PROVISIONS RELATING TO REDEMPTION

15. Automatic Early Redemption:

[56] Insert "Not Applicable" for Business Day Convention and Additional Business Centre(s) if Interest Payment Dates are Unadjusted.

	(a)	Automatic Early Redemption Amount:	[As specified in Condition 5] [*Specify other*]
	(b)	Automatic Early Redemption Date:	[●] Exchange Business Days
16.	Final Redemption Amount:		[As specified in Condition 11(a)] [*Specify other*]
	(a)	Maturity Averaging Dates:	[●]
	(b)	Maturity Averaging Period:	[●] consecutive Scheduled Trading Days
	(c)	Specified Maturity Averaging Commencement Date:	[●]Scheduled Trading Days
17.	Early Redemption Amount(s) of each Exchangeable Note payable on redemption for tax reasons or on an Event of Default or for Illegality or following a Currency Substitution Event (or otherwise in accordance with the terms and conditions of the Exchangeable Notes), and/or the method of calculating the same (if required or if different from that set out in Condition 5):		[As specified in Condition 5] [*Specify other*]
18.	Fair Market Value:		[As specified in Condition 5] [*Specify other*]
19.	Redemption at the Option of the Issuer:		[Applicable][Not Applicable]

PROVISIONS RELATING TO SHARES AND EXCHANGE PROVISIONS

20.	Shares		
	(a)	Identity of Share(s):	The [ordinary shares] [depositary receipts] of the Company with ISIN [●]
	(b)	Company:	[●][57]
	(c)	Relevant Stock Exchange:	[●]
	(d)	Relevant Screen Page	[●]
21.	Exchange Right:		[Applicable] [Not Applicable]
	(a)	Exchange Condition:	[Applicable] [Not Applicable] (*Insert particulars of any conditions which must be satisfied prior to the exercise of the Exchange Right*)
	(b)	Exchange Period(s):	As specified in Condition 7(a)(ii) and [●]

[57] Exchangeable Notes must not be issued in respect of the Shares of Merrill Lynch B.V., Bank of America Corporation or any other Bank of America group entity.

(c) Cash Amount:

(i) Averaging:

(A)	Cash Amount Averaging Dates:	[●]
(B)	Cash Amount Averaging Period:	[●]
(C)	Specified Cash Amount Averaging Commencement Date:	[●]
(D)	Omission:	[Applicable] [Not Applicable]
(E)	Postponement:	[Applicable] [Not Applicable]
(F)	Modified Postponement:	[Applicable] [Not Applicable]

(ii) Valuation Date(s): [●] [Not Applicable]

(iii) Exchange Date: [As specified in Condition 7(d)]

[*Specify other*]

(iv) Exchange Premium: [●] per cent.

(v) Share Reference Price:

(A)	Initial Averaging Period:	[●] consecutive Scheduled Trading Days
(B)	Initial Averaging Commencement Date:	[●]

(vi) Exchange Redemption Date: [As specified in Condition 5]

[*Specify other*]

22. Adjustment:

(a) Adjustment of Exchange Price and Shares: [As specified in Condition 8]

[*Specify other*]

(b) Relevant Period: [●]

	(c) Reference Amount:	[●]
23.	Change in Law:	[Applicable] [Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE EXCHANGEABLE NOTES

24.	Form of Exchangeable Notes:	[Global Note registered in the name of a nominee for [a common depositary for [Euroclear and Clearstream, Luxembourg]]/[a common safekeeper for [Euroclear and Clearstream, Luxembourg]] and exchangeable for Definitive Registered Notes in the limited circumstances described in the Global Note] [Definitive Registered Notes]
25.	New Safekeeping Structure:	[Yes] [No]
26.	Payment Day:	[Following] [Modified Following]
27.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	[Not Applicable] [*give details*] (*Note that this item relates to the place of payment*)
28.	Redenomination:	[Applicable] [Not Applicable]
29.	Other terms:	[Not Applicable] [*give details*]

DISTRIBUTION

30.	Method of distribution:	[Syndicated] [Non-syndicated]
31.	(a) If syndicated, names and addresses of Managers:	[Not Applicable] [*give names, and addresses*]
	(b) Date of Subscription Agreement:	[●]
	(c) Stabilising Manager(s) (if any):	[Not Applicable] [*give name(s)*]
32.	If non-syndicated, name and address of relevant Dealer:	[Not Applicable] [*give name and address*] [Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom] [BofA Securities Europe SA 51 rue La Boétie 75008 Paris France]
33.	Calculation Agent:	[Merrill Lynch International] [Merrill Lynch International] [BofA Securities Europe SA] [*specify other*]
34.	Total commission and concession:	[[●] per cent. of the Aggregate Nominal Amount] [Not Applicable]
35.	U.S. Selling Restrictions:	The Exchangeable Notes may not be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States of America (including the U.S. states

		and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction or directly or indirectly offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered to, or for the account or benefit of, any U.S. person. A "**U.S. person**" has the meaning ascribed to it by Regulation S under the U.S. Securities Act of 1933, as amended.
36.	Additional United States Tax considerations	[Not Applicable] [*give details*] Code Section 871(m): [Not Applicable]
37.	Additional selling restrictions:	[Not Applicable] [*give details*]
38.	Swiss Non-Exempt Public Offer:	[Not Applicable][58] [Yes. If an obligation to prepare a supplement to the Offering Circular pursuant to article 56(1) of the Swiss Financial Services Act (FinSA) is triggered during the [Swiss Offer Period][subscription period], subscriptions may be withdrawn within two days of publication of the supplement. [An offer of the Securities may be made in Switzerland during the period from [(and including)][●] (specify date) to [(and including)] [●] (specify date)] (the "**Swiss Offer Period**")]. The Issuer gives specific consent to use the Offering Circular and these Final Term [during the Swiss Offer Period] to the financial intermediary that is responsible for the primary offer of the Instruments in Switzerland and with whom the Issuer or any of its Affiliates has a contractual relationship in respect of such offer in Switzerland] [No. Neither these Final Terms nor the Offering Circular constitutes a prospectus within the meaning of the Swiss Financial Services Act and no such prospectus will be prepared.][59]

PURPOSE OF FINAL TERMS

These Final Terms comprise the Final Terms required for issue [and admission to trading on [*specify relevant market (for example, the Euro MTF of the Luxembourg Stock Exchange) and, if relevant, admission to an official list (for example, the Official List of the Luxembourg Stock Exchange)*]] of the Exchangeable Notes described herein pursuant to the Note, Warrant and Certificate Programme of Bank of America Corporation, BofA Finance LLC, Merrill Lynch B.V. and Merrill Lynch International & Co. C.V.

RESPONSIBILITY

[[Subject as provided below,] the Issuer accepts responsibility for the information contained in these Final Terms.]

[Each of the Issuer and the Guarantor confirms that the information contained in these Final Terms is to the best of its knowledge correct and that no material facts or circumstances have been omitted from the

[58] Insert "Not Applicable" in the case of Instruments which are not offered and sold into Switzerland.

[59] Insert "Yes" in the case of Instruments publicly offered in Switzerland to any type of investors. Insert "No" in the case of Instruments offered under an exemption from the Swiss prospectus requirement (e.g., private placement, profession investors, issue size below CHF 8 mio.).

prospectus consisting of these Final Terms and the Offering Circular as supplemented as of the date hereof] [60]

Signed on behalf of the Issuer:

By: .....

Duly authorised

[60] Insert in respect of Securities for which "Swiss Non-Exempt Public Offer" is specified as "Yes"

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

[Application [has been]/[will be]/[is expected to be] made by the Issuer (or on its behalf) for the Exchangeable Notes to be [admitted to trading on the Euro MTF and listed on the Official List of the Luxembourg Stock Exchange] [specify other listing or admission to trading] [with effect from [●].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original instruments are already admitted to trading)

2. RATINGS

Ratings:	[The Exchangeable Notes have not been rated.] (*The above disclosure should be included if the Exchangeable Notes have not been rated*) [The Exchangeable Notes to be issued have been rated: [Standard & Poor's Financial Services LLC: [●]] [Moody's Investors Service, Inc.: [●]] [[*Other*: [●]] [A rating is not a recommendation to buy, sell or hold the Exchangeable Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.]

3. OPERATIONAL INFORMATION

(i)	ISIN:	[●]
(ii)	Common Code:	[●]
(iii)	Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, S.A., and the relevant identification number(s):	[Not Applicable] [*give name(s) and number(s)*] [*For CREST CDI Securities, insert the following language*: The Instruments will be deposited with a common depository for Euroclear and Clearstream, Luxembourg and will be accepted for settlement in Euroclear UK & Ireland Limited ("**CREST**") via the CREST Depository Interest ("**CDI**") mechanism.]
(iv)	Delivery:	Delivery [against] [free of] payment
(v)	Names and addresses of initial Paying Agents:	Bank of America, N.A. (operating through its London Branch) 2 King Edward Street London EC1A 1HQ United Kingdom

(vi)	Registrar:	[Bank of America Europe DAC Block D, Central Park Leopardstown D18 N924 Ireland][61]
(vii)	Names and addresses of additional Paying Agent(s) (if any):	[●]
(viii)	Intended to be held in a manner which would allow Eurosystem eligibility.	[Yes. Note that the designation "yes" simply means that the Exchangeable Notes are intended upon issue to 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 (i.e. held under the New Safekeeping Structure (the "**NSS**")), and does not necessarily mean that the Exchangeable 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 the Eurosystem eligibility criteria have been met.] [No. However, if after the date of these Final Terms, the Eurosystem eligibility criteria are amended such that the Exchangeable Notes are capable of meeting such criteria, the Exchangeable 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 (i.e. held under the New Safekeeping Structure (the "**NSS**")). Note that this does not necessarily mean that the Exchangeable 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 European Central Bank being satisfied that the Eurosystem eligibility criteria have been met.]

[61] Include in the case of all Registered Exchangeable Notes.

[*insert only for Swiss Non-Exempt Public Offers*]

SUMMARY

INTRODUCTION AND WARNINGS
This Summary should be read as an introduction to these Final Terms. Any decision to invest in the Exchangeable Notes should be based on consideration of the Offering Circular (which includes the documents incorporated by reference therein) and these Final Terms as a whole by the investor. Any liability for information contained in this Summary is limited to cases where this Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Final Terms and the Offering Circular. **The Exchangeable Notes do not constitute a participation in a collective investment scheme in the meaning of the Swiss Collective Investment Schemes Act and are not licensed by the Swiss Financial Market Supervisory Authority ("FINMA") thereunder. Accordingly, neither the Exchangeable Notes nor holders of the Exchangeable Notes benefit from protection under the Swiss Collective Investment Schemes Act or supervision by FINMA and investors are exposed to the credit risk of the Issuer and Guarantor.** This Summary has been prepared and is being provided solely for the purpose of an offer of the Exchangeable Notes in Switzerland pursuant to the Swiss Financial Services Act ("**FinSA**") and it must not be used for any other purpose or in any other context than for which it is prepared and provided. This Summary does not apply to, must not be used for or in connection with, and does not constitute, any offer or invitation for subscription of the Instruments to, or any solicitation by, any person in any jurisdiction other than Switzerland. **You are about to purchase a product that is not simple and may be difficult to understand.**
KEY INFORMATION ON THE SECURITIES
The Issuer: Merrill Lynch B.V. ("**MLBV**"). MLBV is a private limited liability company incorporated under Dutch law. MLBV was incorporated on 12 November 2012 as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law. MLBV continues to exist until it is dissolved and liquidated in accordance with the relevant provision of the Dutch Civil Code. MLBV's registered office is at Amstelplein 1, Rembrandt Tower, 27th Floor, 1096 HA Amsterdam, the Netherlands and it is registered with the Trade Register of the Dutch Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) in Amsterdam, the Netherlands, under number 56457103. The LEI in respect of MLBV is 549300RQ1D1WIE085245.
The Guarantor: Bank of America Corporation ("**BAC**"). BAC is a Delaware corporation, a bank holding company and a financial holding company. BAC was incorporated on 31 July 1998 (existing until it is dissolved). BAC was initially registered with the State of Delaware, Secretary of State, Division of Corporations on 31 July 1998 under registration number 2927442. BAC's registered office in Delaware is at the Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, United States. BAC's headquarters and principal place of business are located at 100 North Tryon Street, Charlotte, North Carolina 28255, United States. The LEI in respect of BAC is 9DJT3UXIJIZJI4WXO774.
Product name: [Up to] [*insert aggregate nominal/notional amount or number of notes*] [*insert name of notes*] issued under the Notes, Warrants and Certificates Programme of Bank of America Corporation (the "**Exchangeable Notes**").
Product identifier: ***ISIN:*** [*insert*] [***SSPA Product Type****:* [insert] with additional feature(s): [insert] *(Further information is available at https://www.sspa.ch)*]

Issue Date: [*insert*]
[Maturity Date][Redemption Date and Settlement Date][Settlement Date]: [insert]
Identity of Shares: [*insert*]
Settlement Currency: [*insert*]
Settlement Method: Cash Settlement
KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC
Issue Price: [*Insert if trading in nominal*] [*insert*]% of the aggregate nominal amount] [*Insert if trading in units*] *[insert currency*][*insert*] per Note]
[*Insert if applicable*][***Subscription Period***: From and including [*insert*] to and including [*insert*]]
Public Offer Jurisdiction: Switzerland
The Instruments will not be admitted to trading on any trading venue in Switzerland
Selling Restrictions: *U.S. Selling Restrictions*: [insert language as per item 37 above] *EEA selling restrictions*: Applicable *UK selling restrictions*: Applicable [The Exchangeable Notes may not be offered, sold or otherwise made available to any retail investors in the European Economic Area.] [The Exchangeable Notes may not be offered, sold or otherwise made available to any retail investors in the United Kingdom.] *Additional selling restrictions*: [Not Applicable] [insert]

TERMS AND CONDITIONS OF THE CASH SETTLED EXCHANGEABLE NOTES

*The following are the "Terms and Conditions of the Cash Settled Exchangeable Notes" which will be endorsed on, incorporated by reference into or attached to each Global Note (as defined below) and each individual note certificate (an "**Individual Note Certificate**") representing a Registered Note (as defined below) in definitive form (a "**Definitive Registered Note**"), and in the case of Individual Note Certificates only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Individual Note Certificate will have endorsed thereon or attached thereto such Exchangeable Note Terms and Conditions. The applicable Final Terms (as defined below) in relation to any Tranche (as defined below) of Exchangeable Notes (as defined below) may specify other Exchangeable Note terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Exchangeable Note Terms and Conditions, replace or modify the following Exchangeable Note Terms and Conditions for the purpose of such Tranche of Exchangeable Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and Individual Note Certificate, as applicable.*

This Exchangeable Note is one of a Series (as defined below) of cash settled exchangeable notes (the "**Exchangeable Notes**") issued by Merrill Lynch B.V. ("**MLBV**" or the "**Issuer**"), and references to the Issuer shall be construed accordingly. References herein to the "Exchangeable Notes" shall be references to the Exchangeable Notes of a Series and shall mean:

(a) in relation to any Registered Note represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;

(b) any Global Note; and

(c) any Definitive Registered Notes issued in exchange for a Global Note.

Exchangeable Notes issued by MLBV have the benefit of an Amended and Restated English Law Agency Agreement dated 13 May 2022 (such agency agreement as amended and/or supplemented and/or restated from time to time, the "**English Law Agency Agreement**") which is governed by English law and made among MLBV in its capacity as Issuer, Merrill Lynch International & Co. C.V., in its capacity as an issuer, Bank of America Corporation ("**BAC**") in its capacity as Guarantor, Bank of America, N.A. (operating through its London Branch) in its capacity as principal paying agent and transfer and exchange agent (the "**Principal Paying Agent**"), Bank of America Europe DAC in its capacity as registrar (the "**Registrar**") and the other agents named therein.

References herein to the "**Principal Paying Agent**" and the "**Registrar**" shall include any additional or successor principal paying agent or registrar appointed pursuant to the English Law Agency Agreement.

References herein to the "**Agents**" are to the Registrar and the Principal Paying Agent, and any reference to an "**Agent**" is to any one of them.

The applicable Final Terms (the "**Final Terms**") for the Exchangeable Notes (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to, endorsed on or constituting a part of the Exchangeable Note which supplement these Exchangeable Note Terms and Conditions (the "**Exchangeable Note Terms and Conditions**"), or (the "**Exchange Note Conditions**") and may specify other Exchangeable Note Terms and Conditions which shall, to the extent so specified or to the extent inconsistent with these Exchangeable Note Terms and Conditions, replace or modify these Exchangeable Note Terms and Conditions for the purposes of the Exchangeable Note. References to the "**applicable Final Terms**" are to Part A of the Final Terms (or the relevant provisions thereof) attached to, endorsed on or constituting a part of the Exchangeable Note.

The payment of the Final Redemption Amount, Cash Amounts (as defined below), interest, and all other amounts payable in respect of Exchangeable Notes issued by MLBV are unconditionally and irrevocably guaranteed by BAC (in such capacity, the "**Guarantor**") pursuant to a guarantee (the "**MLBV/MLICo. Guarantee**") dated 13 May 2022 executed by BAC. The original of the MLBV/MLICo. Guarantee is held by the Principal Paying Agent on behalf of the Holders of the Exchangeable Notes issued by MLBV at its specified office.

Any reference to "**Noteholders**" or "**Holders**" shall mean the person in whose name a Registered Note is registered and in relation to any Exchangeable Notes represented by a Global Note, shall be construed as provided below.

As used herein, "**Tranche**" means Exchangeable Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Exchangeable Notes together with any further Tranche or Tranches of Exchangeable Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates (if applicable) and/or Issue Prices (each as defined below).

The Holders of the Exchangeable Notes issued by MLBV are entitled to the benefit of the Notes Deed of Covenant (the "**MLBV Notes Deed of Covenant**") dated 13 May 2022 and made by MLBV. The original of the MLBV Notes Deed of Covenant is held by a common depositary for Euroclear and Clearstream, Luxembourg (each as defined below) (the "**Common Depositary**").

Copies of the English Law Agency Agreement, the MLBV/MLICo. Guarantee and the MLBV Notes Deed of Covenant are available for viewing and can be obtained during normal business hours at the specified office of the Principal Paying Agent. Copies of the applicable Final Terms are available for viewing and can be obtained at the specified office of the relevant Dealer and the Principal Paying Agent only by a Noteholder holding one or more Exchangeable Notes and such Noteholder must produce evidence satisfactory to the Issuer or the Principal Paying Agent as to its holding of such Exchangeable Notes and identity. The Offering Circular and any supplement thereto and, in the case of Exchangeable Notes admitted to trading on the Luxembourg Stock Exchange's Euro MTF, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). Final Terms relating to Exchangeable Notes listed and/or admitted to trading on any other stock exchange or market will be published in accordance with the rules and regulations of such stock exchange or market.

The Noteholders are deemed to have notice of, are entitled to the benefit of, and are bound by, all the provisions of the English Law Agency Agreement, the MLBV/MLICo. Guarantee, the MLBV Notes Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in these Exchangeable Note Terms and Conditions include summaries of, and are subject to, the detailed provisions of the English Law Agency Agreement.

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

1. Form, Denomination and Title

The Exchangeable Notes are issued in registered form ("**Registered Notes**") and, in the case of Individual Note Certificates, serially numbered, in the Specified Currency and the Specified Denomination(s) specified in the applicable Final Terms, subject to compliance with all applicable legal and regulatory requirements. Exchangeable Notes of one Specified Denomination may not be exchanged for Exchangeable Notes of another Specified Denomination, or subdivided or reissued in a smaller denomination.

The Exchangeable Notes may either bear interest at a fixed rate ("**Fixed Rate Exchangeable Notes**") or they will not bear interest as specified in the applicable Final Terms.

Subject as set out below, title to Registered Notes shall, subject to mandatory rules of law, pass by registration in the Register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the English Law Agency Agreement.

For so long as any of the Exchangeable Notes are represented by a Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Exchangeable Notes (in which regard any certificate or other

document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Exchangeable Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) shall be treated by the Issuer, the Guarantor, the Registrar and the Paying Agents, as applicable, as the holder of such nominal amount of such Exchangeable Notes for all purposes other than with respect to the payment of principal, premium (if any), Cash Amounts or interest or any other amounts payable on such nominal amount of such Exchangeable Notes, for which purpose the registered holder of the relevant Global Note shall be treated by the Issuer, the Guarantor, the Registrar and any Paying Agent, as applicable, as the holder of such nominal amount of such Exchangeable Notes in accordance with and subject to the terms of the relevant Global Note (and the expression "**Holder**" and related expressions shall be construed accordingly).

Any reference herein to Euroclear and/or Clearstream, Luxembourg, shall whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Paying Agent from time to time and notified to the Noteholders in accordance with Condition 20 (*Notices*).

2. **Exchange of Global Note and Transfer**

(a) *Exchange of Global Note*

In the case of an exchange of a Global Note for one or more Individual Note Certificates, the Registrar will reflect any such exchange on the Register, and one or more new Individual Note Certificates will be issued to the designated transferee or transferees.

(b) *Exchangeable Notes held in Euroclear and Clearstream, Luxembourg*

Exchangeable Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, as the case may be.

(c) *Transfer of Definitive Registered Notes and Global Notes*

Subject to Condition 2(f) (*Closed Periods*), transfers of Definitive Registered Notes or Global Notes are effected upon the surrender (at the specified office of the Principal Paying Agent) of the Individual Note Certificates or Global Note, as applicable, to be transferred together with the form of transfer endorsed on such Individual Note Certificates or Global Note, as applicable (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 by the person shown as the registered holder on the Register, or its attorney duly authorised in writing, and such other evidence as the Principal Paying Agent may reasonably require. The Registrar will reflect any such transfer on the Register. In the case of the transfer of all of a holding of Exchangeable Notes represented by one Individual Note Certificate or Global Note, as applicable, the Principal Paying Agent will cancel the Individual Note Certificate or Global Note, as applicable, surrendered by the transferor, and one new Individual Note Certificate or Global Note, as applicable, will be issued to the designated transferee (following the transferee's surrender of any existing Individual Note Certificate or Global Note, as applicable, in respect of Exchangeable Notes of that Series). In the case of a transfer of part only of a holding of Exchangeable Notes represented by one Individual Note Certificate, a new Individual Note Certificate will be issued to the designated transferee (following the transferee's surrender of any existing Individual Note Certificate in respect of Exchangeable Notes of that Series) and a further new Individual Note Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Definitive Registered Notes of a Series to a transferee who is already a Holder of such Series, a new Individual Note Certificate representing the enlarged holding shall only be issued against surrender of the Individual Note Certificate representing the existing holding. No beneficial owner of an interest in a Global Note will be able to transfer such interest, except as described above in Condition 2(b) (*Exchange of Global Note and Transfer - Exchangeable Notes held in Euroclear and Clearstream, Luxembourg*).

(d) *Exercise of Options or Partial Redemption in Respect of Exchangeable Notes*

In the case of a partial redemption of, a holding of Exchangeable Notes represented by a Global Note including, for the avoidance of doubt, a partial redemption following exercise by a Noteholder of the Exchange Right pursuant to Condition 7(a) (*Exchange Period and Exchange Price*), the Registrar shall make such entries in the Register to reflect the exercise of such option or in respect of the balance of the holding not redeemed.

In the case of a partial redemption of, a holding of Definitive Registered Notes represented by a single Individual Note Certificate, a new Individual Note Certificate shall be issued to the Holder to reflect the balance of the holding not redeemed. New Individual Note Certificates shall only be issued against surrender of the existing Individual Note Certificate to the Principal Paying Agent.

(e) *Delivery of New Individual Note Certificates and Global Notes*

Each new Individual Note Certificate or Global Note to be issued pursuant to this Condition 2 (*Exchange of Global Note and Transfer*) shall be available for delivery within three Business Days of receipt of the form of transfer and surrender of the Individual Note Certificate or Global Note, as applicable, for exchange. Delivery of the new Individual Note Certificate(s) or Global Note, as applicable, shall be made at the specified office of the Principal Paying Agent to whom delivery or surrender of such request for exchange, form of transfer, or Individual Note Certificate or Global Note shall have been made or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Individual Note Certificate or Global Note (as applicable) to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Principal Paying Agent the costs of such other method of delivery and/or such insurance as it may specify.

(f) *Closed Periods*

No Holder may require the transfer of Exchangeable Notes to be registered:

(i) during the period beginning on the Record Date and ending on the due date for redemption of, or payment of any amount of interest, in respect of, that Exchangeable Note;

(ii) after any such Exchangeable Note has been called for redemption;

(iii) during the period beginning on the Record Date and ending on the date fixed for any meeting of Noteholders, or any adjourned meeting of Noteholders;

(iv) during the period of seven calendar days ending on (and including) any Record Date; or

(v) if the Registrar learns that the proposed transfer or exchange would violate any legend contained on the face of such Global Note or Individual Note Certificate.

Unless otherwise specified, as used herein "**Record Date**" means (i) in respect of any Definitive Registered Notes, the close of business (London time) on the 15th calendar day and (ii) in respect of any Global Notes, the close of business on the Relevant Clearing System Business Day, in each case, prior to the applicable due date for redemption of an Exchangeable Note, or the payment of any amount of interest in respect of an Exchangeable Note, or the date fixed for any meeting, or adjourned meeting, of holders of Exchangeable Notes, where "**Relevant Clearing System Business Day**" means a day on which the relevant clearing system through which the Exchangeable Notes are held is open for business.

For the avoidance of doubt, this Condition 2(f) (*Exchange of Global Note and Transfer - Closed Periods*) shall not apply to or restrict the Issuer's ability to purchase an outstanding Series of Exchangeable Notes pursuant to Condition 11 (*Redemption and Purchase*).

(g) *Exchange or Transfer Free of Charge*

Exchange and transfer of Exchangeable Notes on registration, transfer, partial redemption, partial repayment, settlement or exercise of an option (as applicable) shall be effected without charge by or on behalf of the Issuer or the Principal Paying Agent, but upon payment by the Holder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Principal Paying Agent may require).

3. **Status of the Exchangeable Notes and the MLBV/MLICo. Guarantee**

The Exchangeable Notes issued by MLBV constitute direct, unsubordinated, unconditional and unsecured obligations of MLBV and rank equally among themselves and rank equally (subject to exceptions as are from time to time provided by applicable laws and regulations) with all other present and future direct, unsubordinated, unconditional and unsecured obligations of MLBV.

In respect of Exchangeable Notes issued by MLBV, the obligations of the Guarantor under the MLBV/MLICo. Guarantee, save for such exceptions as may be provided by applicable laws and regulations or judicial order, will rank *pari passu* with its other present and future unsecured and unsubordinated obligations.

Terms of the MLBV/MLICo. Guarantee

Under the MLBV/MLICo. Guarantee, the Guarantor has unconditionally and irrevocably guaranteed to the holders of Exchangeable Notes issued by MLBV under the terms of the English Law Agency Agreement, the due and punctual payment of any and all amounts payable by MLBV as obligor in respect of such Exchangeable Notes when and as the same shall become due and payable pursuant to the Exchangeable Note Conditions and to the extent provided in the MLBV/MLICo. Guarantee.

4. **Redenomination**

(A) *Redenomination*

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders on giving prior notice to the Principal Paying Agent, Euroclear and Clearstream, Luxembourg and at least 30 calendar days' prior notice to the Noteholders in accordance with Condition 20 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Exchangeable Notes shall be redenominated in euro.

The election will have effect as follows:

(a) the Exchangeable Notes shall be deemed to be redenominated in euro in the denomination of €0.01 with a nominal amount for each Exchangeable Note equal to the nominal amount of that Exchangeable Note in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Principal Paying Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Exchangeable Notes may be listed, and the Paying Agents of such deemed amendments;

(b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Exchangeable Notes will be calculated by reference to the aggregate nominal amount of Exchangeable Notes presented for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;

(c) if Definitive Registered Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer, in the denominations of €100,000 or any incremental amounts of €1,000 and (but only to the extent of any remaining amounts less than €100,000 or any incremental amounts of €1,000 or such other smaller denominations as the Principal Paying Agent may approve) €0.01 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders;

(d) the payment obligations contained in any Exchangeable Notes issued prior to the Redenomination Date will become void on the date on which the Issuer gives notice (the "**Redenomination Notice**") that replacement euro-denominated Exchangeable Notes are available for exchange (provided that such securities are so available) and no payments will be made in respect of them, although those Exchangeable Notes will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Exchangeable Notes will be issued in exchange for Exchangeable Notes denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Redenomination Notice. No Redenomination Notice may be given less than 15 calendar days prior to any date for payment of principal or interest (if any) on the Exchangeable Notes;

(e) after the Redenomination Date, all payments in respect of the Exchangeable Notes, other than payments of interest (if any) in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Exchangeable Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;

(f) if the Exchangeable Notes are Fixed Rate Exchangeable Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:

(i) in the case of the Exchangeable Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and

(ii) in the case of Definitive Registered Notes, by applying the Rate of Interest to the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Exchangeable Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Exchangeable Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding;

(g) such other changes shall be made to this Condition 4 (*Redenomination*) as the Issuer may decide, after consultation with the Paying Agents and as may be specified in the notice, to conform it to conventions applicable to instruments denominated in euro.

(B) *Definitions*

In these Exchangeable Note Terms and Conditions, the following expressions have the following meanings:

"**Established Rate**" means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

"**euro**" means the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time).

"**Redenomination Date**" means (in the case of interest-bearing Exchangeable Notes) any date for payment of interest under the Exchangeable Notes or (in the case of Exchangeable Notes which do not bear interest) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 4(A) (*Redenomination*) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.

5. **Definitions**

In these Conditions, unless otherwise provided:

"**Affiliate**" has the meaning given to it in Condition 12(e) (*Definition of Affiliate*);

"**Alternative Options Exchange**" has the meaning given to it in Condition 8(a) (*Adjustment of Exchange Price and the Shares*);

"**Automatic Early Redemption Amount**" means, in respect of each Specified Denomination of the Exchangeable Notes, the higher of (a) the Specified Denomination; and (b) the fair value per Exchangeable Note of such Specified Denomination, being the fair value per Exchangeable Note on the Relevant Announcement Date as determined by the Calculation Agent in good faith taking into account, *inter alia*, the Exchangeable Note Market Price on the Relevant Announcement Date, the Volume Weighted Average Price on the Relevant Announcement Date, the yield to maturity of any senior unsecured notes of, or guaranteed by, the Issuer with a similar final maturity date to the Exchangeable Notes, settlement of a hedge amount, if any and any other market parameter the Calculation Agent deems in good faith to be relevant for the valuation of the Exchangeable Notes on the Relevant Announcement Date.

"**Automatic Early Redemption Date**" means the day falling on the number of Exchange Business Days following the Relevant Announcement Date specified in the applicable Final Terms under the heading "Automatic Early Redemption Date";

"**Averaging Date**" has the meaning given to it in Condition 7(d)(i) (*Cash Amount*);

"**Business Day**" has the meaning given to it in Condition 23 (*Business Days*);

"**Calculation Agent**" means the calculation agent specified in the relevant Final Terms;

"**Cash Amount**" has the meaning given to it in Condition 7(d)(i) (*Cash Amount*);

"**Change in Law**" means that, on or after the Trade Date (as specified in the applicable Final Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that the Issuer will, or a Hedging Counterparty notifies the Issuer or any of the Issuer's Affiliates that it has determined that, (X) it has become illegal to hold, acquire or dispose of Shares, any Hedge Transactions or the

Exchangeable Notes or effect its necessary Hedging Activities, or (Y) it would incur a materially increased cost in performing its obligations under, in the case of the Issuer, the Exchangeable Notes or Hedge Transactions, or, in the case of an Affiliate of the Issuer, a Hedge Transaction, or, in the case of a Hedging Counterparty, any Hedge Transactions or in effecting its Hedging Activities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates);

"**Closing Price**" means, in respect of any Share, on any Scheduled Trading Day, the official closing price on such Scheduled Trading Day of a Share on the Relevant Stock Exchange as published by or derived (in the case of an Original Underlying Share) from the Relevant Screen Page specified in the applicable Final Terms on the Bloomberg information system (or any successor page) (using the setting labelled "Last Price" or any equivalent successor label to this setting) or (in any other case) from the equivalent page and setting in respect of the Relevant Stock Exchange for the Share (as determined by the Calculation Agent), if any or, in any such case, such other source as shall be determined to be appropriate by the Calculation Agent on such Scheduled Trading Day; provided that, if on any such Scheduled Trading Day such price is not available or cannot otherwise be determined as provided above, the Closing Price of a Share in respect of such day shall be the Closing Price, determined as provided above, on the immediately following day on which the same can be so determined as aforesaid or, if such price cannot be so determined, as determined in good faith by the Calculation Agent;

"**Company**" means the company specified in the relevant Final Terms, which is the issuer of the Shares;

"**Daily Cash Amount**", or "**DCA**", has the meaning given to it in Condition 7(d)(i) (*Cash Amount*);

"**Delisting**" has the meaning given to it in Condition 10(b) (*Nationalisation or Delisting*);

"**Disrupted Day**" has the meaning given to it in Condition 9 (*Disrupted Days*);

"**Dividend**" has the meaning given to it in Condition 8(a)(v) (*Adjustment of Exchange Price and the Shares*);

"**Dividend Taxes**" means, in respect of a Share and a Dividend, any amounts that would have been withheld for or on account of tax if such Dividend was paid to the Issuer, the Dealer or any Affiliate as the holder of one Share, and excluding any reduction of such tax that is available to the Issuer, the Dealer or any Affiliate pursuant to a double tax treaty or any other applicable domestic exemption, as determined by the Calculation Agent;

"**Early Closure**" has the meaning given to it in Condition 9 (*Disrupted Days*);

"**Early Redemption Amount**" means in respect of each Specified Denomination of the Exchangeable Notes, the higher of (a) the Specified Denomination; and (b) the fair value per Exchangeable Note of such Specified Denomination, being the fair value per Exchangeable Note on the second Business Day immediately preceding the due date for the early redemption or repayment, as applicable ("**Early Redemption Amount Calculation Date**") as determined by the Calculation Agent in good faith taking into account, inter alia, the Exchangeable Note Market Price on the Early Redemption Amount Calculation Date, the Volume Weighted Average Price on the Early Redemption Amount Calculation Date, the yield to maturity of any senior unsecured notes of, or guaranteed by, the Issuer with a similar final maturity date to the Exchangeable Notes, settlement of a hedge amount, if any and any other market parameter the Calculation Agent deems in good faith to be relevant for the valuation of the Exchangeable Notes on the Early Redemption Amount Calculation Date;

"**Eurex**" means Eurex Exchange or its successor or any substitute exchange to which trading in options contracts relating to the Shares has temporarily or permanently relocated, as determined by the Calculation Agent;

"**Eurex Corporate Actions Procedures**" means the standard corporate actions procedures of Eurex, in effect from time to time;

"**Event of Default**" has the meaning given to it in Condition 15 (*Events of Default*);

"**Exchange Business Day**" means any Scheduled Trading Day on which the Relevant Stock Exchange and the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Relevant Stock Exchange or Related Exchange closing prior to its Scheduled Closing Time;

"**Exchange Condition**" has the meaning provided in Condition 7(a) (*Exchange Period and Exchange Price*);

"**Exchange Date**" has the meaning provided in Condition 7(d) (*Cash Amount*);

"**Exchange Disruption**" has the meaning given to it in Condition 9 (*Disrupted Days*);

"**Exchangeable Note Market Price**" means, in respect of any Scheduled Trading Day, the market price per Specified Denomination of the Exchangeable Notes, being the price per Specified Denomination of the Exchangeable Notes (i) as derived from the relevant Bloomberg page (if any) on which the price of the Exchangeable Notes is displayed (setting "Last Price" or any successor setting) as at the close of business on such Scheduled Trading Day, as determined by the Calculation Agent (the "**Bloomberg Generic Price**"), or (ii) if such Bloomberg page is not available on such day, as derived by the Calculation Agent from any substitute Bloomberg page or from any successor to Bloomberg, as determined by the Calculation Agent, or (iii) if such substitute page or successor service is not available on such day, as derived from such other public source (if any) providing substantially similar market data to such Bloomberg page as the Calculation Agent shall consider appropriate, or (iv) failing such source, as derived from such other source (if any) displaying trading prices in respect of the Exchangeable Notes provided by at least three leading institutions as the Calculation Agent shall consider appropriate; provided that if, in the opinion of the Issuer, the relevant quotation of the Bloomberg Generic Price or, as the case may be, the quotation on any successor page or service or other public source is materially different from the reality of traded prices, the Calculation Agent will determine the Exchangeable Note Market Price in such other commercially reasonable manner as the Issuer and such Calculation Agent may agree or, in the absence of agreement, in such manner as may be determined by the Calculation Agent;

"**Exchange Notice**" has the meaning given to it in Condition 7(b) (*Procedure for Exercise of Exchange Rights*);

"**Exchange Notice Delivery Date**" has the meaning given to it in Condition 7(b) (*Procedure for Exercise of Exchange Rights*);

"**Exchange Period**" has the meaning given to it in Condition 7(a)(ii) (*Exchange Period and Exchange Price*);

"**Exchange Premium**" means the percentage above the Share Reference Price specified in the applicable Final Terms under the heading "Exchange Premium";

"**Exchange Price**" per Share is initially equal to the Share Reference Price multiplied by the sum of (i) one and (ii) the Exchange Premium expressed as a decimal (rounded to four decimal places, with 0.00005 being rounded upwards), as adjusted from time to time by the Calculation Agent in accordance with these Conditions;

"**Exchange Redemption Date**" means, unless otherwise specified in the applicable Final Terms, the fifth Business Day following the last Averaging Date used to determine the Cash Amount;

"**Exchange Right**" has the meaning given to it in Condition 7(a)(i) (*Exchange Period and Exchange Price*);

"**Extraordinary Resolution**" has the meaning given to it in the English Law Agency Agreement;

"**Fair Market Value**" means, unless otherwise specified in the applicable Final Terms, with respect to any property on any date:

(i) in the case of an Ordinary Cash Dividend, the amount of such Ordinary Cash Dividend;

(ii) in the case of a Special Cash Dividend, the amount of such Special Cash Dividend minus any applicable Dividend Taxes, as determined by the Calculation Agent;

(iii) in the case of any cash, the amount of such cash;

(iv) in the case of Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined by the Calculation Agent), the arithmetic mean of the daily Volume Weighted Average Prices of such Securities, options, warrants or other rights or assets during the period of five Scheduled Trading Days on the Relevant Stock Exchange for such Securities, options, warrants or other rights or assets commencing on such date (or, if later, the first such Scheduled Trading Day on which such Securities, options, warrants or other rights or assets are publicly traded) or such shorter period as such Securities, options, warrants or other rights or assets are publicly traded;

(v) in the case of Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined by the Calculation Agent), the fair market value of such Securities, options, warrants or other rights or assets as determined by the Calculation Agent on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Share, the dividend yield of a Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, options, warrants or other rights or assets, including as to the expiry date and exercise price (if any) thereof;

Such amounts shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date. In addition, the Fair Market Value shall, other than in respect of a Special Cash Dividend as set out in sub-paragraph (ii) above, be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;

"**Final Redemption Amount**" has the meaning given to it in Condition 11(a)(ii) (*Redemption at Maturity*);

"**Hedging Activities**" means any activities or transactions undertaken in connection with the establishment, maintenance, adjustment or termination of a Hedge Transaction;

"**Hedging Counterparty**" means a counterparty to a Hedge Transaction of (i) the Issuer or (ii) any of the Issuer's Affiliates;

"**Hedge Transaction**" means: (i) with respect to the Issuer or any of its Affiliates, a transaction including a share option transaction (a "**Transaction**") or asset the Issuer or its Affiliate deems appropriate to hedge the equity price risk of entering into and performing its obligations with respect to the Exchangeable Notes; or (ii) with respect to a Hedging Counterparty, (a) any Transaction or (b) any purchase, sale, entry into or maintenance of one or more (1) positions or contracts in securities, options, futures, derivatives or foreign exchange, (2) stock loan transactions or (3) other instruments or arrangements (howsoever described) by a Hedging Counterparty (or an Affiliate thereof) to hedge, individually or on a portfolio basis, a Transaction;

"**Issue Date**" means the Issue Date specified in the applicable Final Terms;

"**Interest Payments Dates**" means the dates so specified in the applicable Final Terms;

"**Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date);

"**Maturity Date**" means the maturity date specified in the applicable Final Terms;

"**Market Disruption Event**" has the meaning given to it in Condition 9 (*Disrupted Days*);

"**Maturity Averaging Date**" has the meaning given to it in Condition 11(a)(ii) (*Redemption at Maturity*);

"**Maturity Daily Cash Amount**" has the meaning given to it in Condition 11(a)(ii) (*Redemption at Maturity*);

"**Nationalisation**" has the meaning given to it in Condition 10 (*Nationalisation or Delisting*);

"**Optional Redemption Notice**" has the meaning given to it in Condition 11(b) (*Redemption at the Option of the Issuer*);

a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

"**Prevailing Rate**" means, in respect of a pair of currencies on any day, the spot rate (setting "**Mid price**") of exchange between the relevant currencies prevailing as at 5 p.m. (London time) on that date as appearing on or derived from the Relevant Page (using, where the Relevant Page is a Bloomberg page, the time zone "London", or, if not available, any other fixing rate page (if any) on Bloomberg as determined by the Calculation Agent to be appropriate) or, if such a rate cannot be determined at such time, the rate prevailing as at 5 p.m. (London time) on the immediately succeeding day on which such rate can be so determined or if such rate cannot be so determined, the rate determined in such other manner as the Calculation Agent shall deem in good faith appropriate;

"**Record Date**" has the meaning given to it in Condition 2(f) (*Closed Periods*);

"**Register**" means the relevant register held by the Registrar in respect of the Registered Notes;

"**Related Exchange**" has the meaning given to it in Condition 9 (*Disrupted Days*);

"**Relevant Announcement Date**" means (i) in respect of an early redemption of the Exchangeable Notes pursuant to Condition 11(c) (*Settlement of Options Contracts*) the date of announcement of settlement of all relevant options contracts in respect of the Shares traded on the Related Exchange, (ii) in respect of a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (iii) in the case of a Delisting, the date of the first public announcement by the Relevant Stock Exchange that the Shares will cease to be listed, traded or publicly quoted, whichever is earlier, and (iv) in respect of a Change in Law, the date on which the Issuer determines that a Change in Law has occurred or on which the Issuer or any of its Affiliates receives a notice from a Hedging Counterparty that it has determined that a Change in Law has occurred;

"**Relevant Currency**" means the currency in which the Shares are denominated or, if at the relevant time or for the purposes of the relevant calculation or determination, such currency is no longer the currency in which the Shares are quoted or dealt in on the Relevant Stock Exchange for the Shares, the currency in which the Shares are quoted or dealt in on such Relevant Stock Exchange at such time;

"**Relevant Date**" means, in respect of any Exchangeable Note, the date on which any payment in respect of it first becomes due except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 20 (*Notices*);

"**Relevant Exchange Ratio**" has the meaning given to it in Condition 7(d) (*Cash Amount*);

"**Relevant Page**" means "Bloomberg FX Fixings" (page BFIX) on Bloomberg or, if not available from Bloomberg, such other information service provider (as determined by the Calculation Agent) that at the relevant time displays the relevant information;

"**Relevant Screen Page**" means the relevant screen page specified as such in the applicable Final Terms;

"**Relevant Stock Exchange**" means (i) in respect of the Shares, the exchange specified as such in the Final Terms or its successor or any substitute exchange to which trading in the Shares has temporarily or permanently relocated, as determined by the Calculation Agent, and (ii) in respect of any Security (other than the Shares), or, as the case may be, option, warrant, or other right or asset, the principal stock exchange or securities market on which such Securities, or, as the case may be, options, warrants, or other rights or assets are then listed, admitted to trading or quoted or dealt in;

"**Scheduled Closing Time**" has the meaning given to it in Condition 9 (*Disrupted Days*);

"**Scheduled Trading Day**" means any day on which the Relevant Stock Exchange and the Related Exchange are both scheduled to be open for trading for their regular trading sessions;

"**Securities**" means any securities including, without limitation, shares in the capital of the Company, or options, warrants or other rights to subscribe for or purchase or acquire shares in the capital of the Company;

"**Settlement Cycle**" has the meaning given to it in Condition 8(g) (*Adjustment of Exchange Price and the Shares*);

"**Share Price**" means in relation to a determination of a daily Share Price or Daily Cash Amount in respect of a Scheduled Trading Day, the Volume Weighted Average Price of a Share on the relevant Scheduled Trading Day;

"**Share Reference Price**" means the simple arithmetic average (rounded to four decimal places, with 0.00005 being rounded upwards) of the daily Volume Weighted Average Price of a Share on each consecutive Scheduled Trading Day equal to the number of consecutive Scheduled Trading Days (each an "**Initial Averaging Date**"), subject to Condition 9 (*Disrupted Days*), specified in the applicable Final Terms under the heading "Initial Averaging Period" commencing on and including the date specified in the applicable Final Terms under the heading "Initial Averaging Commencement Date", as determined by the Calculation Agent and notified by or on behalf of the Issuer to the Noteholders as soon as practicable following such determination (such notice shall be given in accordance with Condition 20 (*Notices*) and shall specify the Share Reference Price, the resulting Exchange Price and the initial Relevant Exchange Ratio based on that Exchange Price);

"**Shareholders**" means the holders of Shares;

"**Shares**" means the Shares (specified in the applicable Final Terms) in the capital of the Company (the "**Original Underlying Shares**") subject to adjustment pursuant to Condition 8 (*Adjustment of Exchange Price and the Shares*);

"**Specified Currency**" means the currency specified as such in the applicable Final Terms;

"**Specified Denomination**" means the specified denomination specified in the applicable Final Terms;

"**Trading Disruption**" has the meaning given to it in Condition 9 (*Disrupted Days*);

"**Treaty**" means the treaty establishing the European Community, as amended from time to time;

"**Valuation Time**" has the meaning given to it in Condition 9 (*Disrupted Days*); and

"**Volume Weighted Average Price**" means, in respect of a Share, Security, option, warrant or other right or asset, on any Scheduled Trading Day, the volume-weighted average price of a Share, Security, option, warrant or other right or asset on the Relevant Stock Exchange as published by or derived (in the case of an Original Underlying Share from the order book volume weighted average price per Share on such Scheduled Trading Day, as published for that day on the Relevant Screen Page as specified in the applicable Final Terms (or any successor page or ticker for the Shares on the Relevant Stock Exchange) on the Bloomberg information system (or any successor thereto) (using the volume weighted average price labelled "custom" (or any successor label) after (A) having selected "Condition Codes": "Auto" (and deselected all other Condition Codes) of the Menu "99) Edit Custom Condition Codes" and (B) having selected the relevant Scheduled Trading Day and the relevant opening and closing times of the Relevant Stock Exchange, as determined by the Calculation Agent, or (in the case of a Security (other than an Original Underlying Share in respect of which the Relevant Stock Exchange is the same as in respect of the Original Underlying Share), options, warrants or other rights or assets) from the equivalent Bloomberg page (as determined by the Calculation Agent) for such Securities, options, warrants or other rights or assets in respect of the Relevant Stock Exchange in respect thereof, if any or, in case there is no such Bloomberg page, such other source (if any) as shall be determined in good faith to be appropriate by the Calculation Agent on such Scheduled Trading Day, provided that if on any such Scheduled Trading Day (the "**Affected Scheduled Trading Day**") such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share, Security, option, warrant or other right or asset, in respect of such Scheduled Trading Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately succeeding Scheduled Trading Day on which the same can be so determined, and further provided that if the Volume Weighted Average Price cannot be so determined on each of the five Scheduled Trading Days immediately succeeding the Affected Scheduled Trading Day, the Calculation Agent shall determine the Volume Weighted Average Price in good faith.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

Any determination by the Calculation Agent appointed by the Issuer in any of the circumstances contemplated in these Conditions shall (save in the case of a manifest error) be final and binding on the Issuer and the Noteholders.

6. Interest

(A) *Day Count Fraction*

"**Day Count Fraction**" means, unless otherwise specified in the applicable Final Terms, in respect of the calculation of an amount of interest in accordance with this Condition 6 (*Interest*):

(a) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

(i) in the case of Exchangeable Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest were payable in respect of the whole of that year; or

(ii) in the case of Exchangeable Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided

by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest were payable in respect of the whole of that year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest were payable in respect of the whole of that year;

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

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30.

In these Exchangeable Note Terms and Conditions:

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to any currency other than euro and U.S. Dollars, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro and U.S. Dollars, one cent.

(B) *Interest on Fixed Rate Exchangeable Notes*

Except as provided in the applicable Final Terms, each Fixed Rate Exchangeable Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date or any other date specified for redemption.

Except as provided in the applicable Final Terms, if a Fixed Coupon Amount is specified in the applicable Final Terms, the amount of interest payable in respect of each Exchangeable Note on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount as specified irrespective of any calculation based on the applicable Rate of Interest and any applicable Day Count Fraction (if any). Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

If "Unadjusted" is specified in the applicable Final Terms with respect to any Interest Payment Date, any Interest Payment Date falling on a day which is not a Business Day will not be adjusted in accordance with any Business Day Convention, and the relevant Fixed Interest Period (as defined below) will accordingly not be adjusted. In such event, payment of any amounts will be made in accordance with the provisions of Condition 12(c) (*Payments - Payment Day*).

If "Adjusted" is specified in the applicable Final Terms with respect to any Interest Payment Date, any Interest Payment Date falling on a day which is not a Business Day will be adjusted in accordance with the Business Day Convention specified in the applicable Final Terms, and the relevant Fixed Interest Period will be adjusted accordingly. For these purposes, where "Business Day" has the meaning assigned to it in Condition 23 (*Business Days*) and if an Interest Payment Date falls on a day which is not a Business Day, if the Business Day Convention specified is:

(a) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(b) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(c) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

As used in these Exchangeable Note Terms and Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period or where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Fixed Rate Exchangeable Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Exchangeable Notes represented by such Global Note; or

(ii) in the case of Fixed Rate Exchangeable Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such product by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Exchangeable Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Exchangeable Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(C) *Accrual of interest*

Each Exchangeable Note will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Exchangeable Note have been paid; and

(b) five calendar days after the date on which the full amount of the moneys payable in respect of such Exchangeable Note has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 20 (*Notices*).

7. Exchange of Exchangeable Notes

This Condition 7 shall apply if "Exchange Right" is specified to be applicable in the applicable Final Terms.

(a) *Exchange Period and Exchange Price*

(i) The Issuer grants to each Noteholder the right (the "**Exchange Right**") exercisable at any time during any Exchange Period, subject, if applicable, to any Exchange Condition having been satisfied, to require the Exchangeable Note(s) held by it to be redeemed in accordance with the provisions of Condition 7(b) (*Procedure for Exercise of Exchange Rights*).

(ii) For the purposes of these Conditions, the following terms shall have the following meanings:

"**Exchange Condition**" means any condition specified as such in the applicable Final Terms under the heading "Exchange Condition".

"**Exchange Period**" means each of the period(s) specified in the applicable Final Terms provided that, if during any Exchange Period, the Issuer has given notice to Noteholders of its intention to redeem the Exchangeable Notes as provided in Condition 11(g) (*Change in Law*), the Exchange Period shall expire on the Relevant Announcement Date.

(iii) The Exchange Rights may not be exercised in respect of an Exchangeable Note which has been declared immediately due and repayable pursuant to Condition 15 (*Events of Default*).

(b) *Procedure for Exercise of Exchange Rights*

Exchange Rights may be exercised by a Noteholder during any Exchange Period and subject to any Exchange Condition specified in the applicable Final Terms having been satisfied, by delivering to the specified office of the Principal Paying Agent (with a copy to Euroclear and/or Clearstream, Luxembourg, as applicable), during its usual business hours, by a duly completed and signed notice of exchange (an "**Exchange Notice**") in the form (for the time being current) obtainable from the Principal Paying Agent together with any Individual Note Certificate (if any) which has been issued in respect of the Exchangeable Notes. The date on which such Exchange Notice and Individual Note Certificate are delivered as aforesaid are referred to as the "**Exchange Notice Delivery Date**".

If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the specified office of the Principal Paying Agent, the Exchange Notice Delivery Date shall be deemed for all purposes of these Conditions to have been made on the next following such business day. For the purposes of this paragraph, "**business day**" means a day other than a Saturday, Sunday or public holiday on which banks are generally open for business.

Exchange Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Principal Paying Agent is located.

Any determination as to whether an Exchange Notice has been duly completed and properly delivered shall be made by the Principal Paying Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Paying Agents and the relevant Noteholder.

An Exchange Notice, once delivered, shall be irrevocable.

A Noteholder must pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of an Exchangeable Note or interest therein in connection with the exercise of Exchange Rights by it.

(c) *Redemption of the exchanged Exchangeable Note(s) by the Issuer*

Upon the valid exercise of the Exchange Right by a Noteholder, the Issuer will redeem the relevant Exchangeable Note(s) on the Exchange Redemption Date at the Cash Amount calculated in accordance with Condition 7(d) (*Cash Amount*).

(d) *Cash Amount*

(i) Upon any valid exercise of Exchange Rights by a Noteholder with respect to one or more Exchangeable Notes, the Issuer shall redeem each Exchangeable Note, in respect of which the Exchange Right has been exercised, at its Cash Amount on the relevant Exchange Redemption Date (and, for the avoidance of doubt, regardless of whether the Exchange Redemption Date falls before, on, or after the Maturity Date), subject to the provisions of Condition 7(d)(ii). The Issuer will pay the Cash Amount in respect of each Exchangeable Note in respect of which the Exchange Right has been exercised on the relevant Exchange Redemption Date in accordance with Condition 12 (*Payments*).

In these Conditions:

"**Cash Amount**" means, in respect of all Averaging Dates relating to the relevant Exchange Date and each Specified Denomination in the Specified Currency of Exchangeable Notes in respect of which the relevant Noteholder shall have exercised Exchange Rights, the sum (rounded to two decimal places, with 0.005 being rounded upwards) of the Daily Cash Amounts, where "**Daily Cash Amount**" or "**DCA**" means an amount in the Specified Currency calculated by the Calculation Agent for each Averaging Date relating to such Exchange Date in respect of each such Specified Denomination of the Exchangeable Notes in the Specified Currency, in accordance with the following formula:

$$DCA = \frac{1}{N} \times RER_n \times P_n$$

Where:

N = the number of Averaging Dates specified in the applicable Final Terms under the heading "**Cash Amount Averaging Dates**";

Pn = the Share Price on such Averaging Date; and

RER_n = the Relevant Exchange Ratio prevailing on such Averaging Date

"**Averaging Date**" means, subject to an adjustment for Disrupted Days pursuant to Condition 9 (*Disrupted Days*), each consecutive Scheduled Trading Day equal to the number of consecutive Scheduled Trading Days specified in the applicable Final Terms under the heading "Cash Amount Averaging Period" commencing

on the number of Scheduled Trading Days following the relevant Exchange Date specified in the applicable Final Terms under the heading "Specified Cash Amount Averaging Commencement Date".

"**Exchange Date**" shall be, unless otherwise specified in the applicable Final Terms, the Business Day immediately following the last day of the Exchange Period in which the Exchange Right was exercised.

"**Relevant Exchange Ratio**" means, in respect of the relevant date, the result (rounded to five decimal places with 0.000005 being rounded upwards) of the division of the Specified Denomination of Exchangeable Notes in respect of which the relevant Noteholder shall have exercised Exchange Rights by the Exchange Price in effect on such day.

"**Share Price**" is defined in Condition 5 (*Definitions*).

"**Volume Weighted Average Price**" is defined in Condition 5 (*Definitions*).

"**VWAP**" means the Volume Weighted Average Price.

(ii) If following the valid exercise by a Noteholder of its Exchange Right and prior to the relevant Exchange Redemption Date an event occurs as a result of which the Exchangeable Notes, subject to the Exchange Notice, would otherwise fall to be redeemed in accordance with Condition 10(a) (*Nationalisation or Delisting*), Condition 11(c) (*Settlement of Options Contracts*) or Condition 11(g) (*Change in Law*) had the Noteholder not exercised its Exchange Right, the Issuer shall redeem the Exchangeable Notes at the Automatic Early Redemption Amount (and not the Cash Amount) on the Automatic Early Redemption Date.

8. **Adjustment of Exchange Price and the Shares**

(a) The Calculation Agent will, unless otherwise so specified in the applicable Final Terms, adjust the Exchange Price and/or the Shares as follows:

(i) If options contracts in respect of the Shares are traded on Eurex and Eurex adjusts such options contracts following or as a result of any corporate actions, the Calculation Agent shall, to the extent required and with effect as of the same date, adjust, as relevant:

(A) the Exchange Price of the Exchangeable Notes, in circumstances where the exercise prices of options contracts in respect of the Shares are adjusted by Eurex; and/or

(B) the Shares, in circumstances where any securities or package of securities are being substituted for the Shares as the securities underlying options contracts in respect of the Shares,

to reflect the adjustments effected by Eurex (for the avoidance of doubt the Exchange Price, or, as the case may be, the Shares, shall be adjusted using, but not recalculating, such adjustment ratio or similar or other adjustment as was published by Eurex), provided that:

(A) in relation to Dividends, the Calculation Agent shall make the adjustments as set out in Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*) instead of any corresponding or other adjustments in respect of such Dividends under the applicable Eurex Corporate Actions Procedures, if any;

(B) in relation to any Nationalisation or Delisting, the Exchangeable Notes will be redeemed in accordance with Condition 10 (*Nationalisation or Delisting*), or, in relation to any Illegality, the Exchangeable Notes will be redeemed in accordance with Condition 11(h) (*Illegality*) or, if specified

as applicable in the relevant Final Terms, in relation to a Change in Law, the Exchangeable Notes will (if so elected by the Issuer) be redeemed in accordance with Condition 11(g) (*Change in Law*) or will otherwise be subject to adjustment in accordance with Condition 11(g) (*Change in Law*) instead of any corresponding or other adjustment in respect of such Nationalisation or Delisting or Illegality or Change in Law under the applicable Eurex Corporate Actions Procedures, if any; and

(C) in relation to any event as a result of which options contracts in respect of the Shares are settled in the circumstances the subject of Condition 11(c) (*Settlement of Options Contracts*), the Exchangeable Notes will be redeemed subject to and in accordance with such Condition 11(c) (*Settlement of Options Contracts*) and no adjustment (if any) under the applicable Eurex Corporate Actions Procedures will be made.

Any adjustment made pursuant to this paragraph shall become effective on the same date as any corresponding adjustments made by Eurex (other than an adjustment pursuant to Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*), which shall become effective as provided in Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*)).

If no options contracts in respect of the Shares are traded on Eurex but are traded on any other exchange or quotation system which serves as the principal place of trading for options contracts and futures contracts in respect of the Shares (such other exchange or quotation system as aforesaid, being, only in circumstances where no options contracts in respect of the Shares are traded on Eurex but options contracts are traded on such other exchange or quotation system as aforesaid, the "Alternative Options Exchange"), the Calculation Agent shall, to the extent required, adjust the Exchange Price and/or, as the case may be, the Shares to reflect the adjustments effected in respect of any options contracts relating to the Shares by the Alternative Options Exchange, provided that:

(A) in relation to Dividends, the Calculation Agent shall make the adjustments as set out in Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*) instead of any corresponding or other adjustments in respect of such Dividends under the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time, if any;

(B) in relation to any Nationalisation or Delisting, the Exchangeable Notes will be redeemed in accordance with Condition 10 (*Nationalisation or Delisting*), or, in relation to any Illegality, the Exchangeable Notes will be redeemed in accordance with Condition 11(h) (*Illegality*), or, if specified as applicable in the relevant Final Terms, in relation to a Change in Law, the Exchangeable Notes will (if so elected by the Issuer) be redeemed in accordance with Condition 11(g) (*Change in Law*) or will otherwise be subject to adjustment in accordance with Condition 11(g) (*Change in Law*) instead of any corresponding or other adjustment in respect of such Nationalisation or Delisting or Illegality or Change in Law under the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time, if any; and

(C) in relation to any event as a result of which options contracts in respect of the Shares are settled in the circumstances the subject of Condition 11(c) (*Settlement of Options Contracts*), the Exchangeable Notes will be redeemed subject to and in accordance with such Condition 11(c) (*Settlement of Options Contracts*) and no adjustment (if any) under the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time will be made.

Any adjustment made pursuant to this paragraph shall become effective on the same date as any corresponding adjustments made by the Alternative Options

Exchange (other than an adjustment pursuant to Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*) which shall become effective as provided in Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*)).

If no options contracts in respect of the Shares are traded on Eurex or an Alternative Options Exchange, and any event which would have triggered an adjustment under the Eurex Corporate Actions Procedures last published occurs, the Calculation Agent will determine which adjustment, if any, should be made to the Exchange Price, and/or, as the case may be, the Shares, with reference to the rules and any precedents (if any) set by Eurex to account for the effect of such event that in the determination of the Calculation Agent, would have given rise to an adjustment by Eurex if such options contracts were so traded, provided that:

(A) in relation to Dividends, the Calculation Agent shall make the adjustments as set out in Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*) instead of any corresponding or other adjustments in respect of such Dividends under the applicable Eurex Corporate Actions Procedures, if any;

(B) in relation to any Nationalisation or Delisting, the Exchangeable Notes will be redeemed in accordance with Condition 10 (*Nationalisation or Delisting*), or, in relation to any Illegality, the Exchangeable Notes will be redeemed in accordance with Condition 11(h) (*Illegality*), or, if specified as applicable in the relevant Final Terms, in relation to a Change in Law, the Exchangeable Notes will (if so elected by the Issuer) be redeemed in accordance with Condition 11(g) (*Change in Law*) or will otherwise be subject to adjustment in accordance with Condition 11(g) (*Change in Law*) instead of any corresponding or other adjustment in respect of such Nationalisation or Delisting or Illegality or Change in Law under the Eurex Corporate Actions Procedures, if any; and

(C) in relation to any event as a result of which options contracts in respect of the Shares are settled in the circumstances the subject of Condition 11(c) (*Settlement of Options Contracts*), the Exchangeable Notes will be redeemed subject to and in accordance with such Condition 11(c) (*Settlement of Options Contracts*) and no adjustment (if any) under the applicable Eurex Corporate Actions Procedures will be made.

Any adjustment made pursuant to this paragraph shall become effective as determined by the Calculation Agent on the date such adjustment would have been effective under the Eurex Corporate Actions Procedures as aforesaid.

(ii) If, prior to the Maturity Date (A) an Ex-Date in respect of any Dividend (a "**Relevant Dividend**") falls in a Relevant Period; or (B) no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period, the Calculation Agent shall calculate the adjustment to the Exchange Price in accordance with the following formula (instead of any corresponding or other adjustment under the Eurex Corporate Actions Procedures or the procedures of an Alternative Options Exchange as the case may be):

$$Xn = Xo \times R$$

Where:

Xn = the adjusted Exchange Price;

Xo = the Exchange Price on the Relevant Record Date;

R = (Sprev – D)/(Sprev – T);

Sprev = the Closing Price of a Share on the Relevant Record Date;

D = (i) where an Ex-Date in respect of a Dividend falls in a Relevant Period, the Dividend Amount or (ii) where no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period, zero; and

T = the applicable Dividend Threshold

Notwithstanding the above:

(x) if Sprev is less than or equal to T, or if Sprev is less than or equal to D, R shall instead be determined by the Calculation Agent.

(iii) For the purposes of calculating the adjustment to the Exchange Price pursuant to the formula in Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*):

(A) if no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period or (where the Relevant Dividend is an Ordinary Dividend) the Dividend Amount is less than the applicable Dividend Threshold, the Exchange Price will be adjusted upwards;

(B) where the Relevant Dividend is an Ordinary Dividend (x) if the Dividend Amount exceeds the relevant Dividend Threshold, the Exchange Price will be adjusted downwards; and (y) if the Dividend Amount is equal to the relevant Dividend Threshold, no adjustment to the Exchange Price shall be required to be made;

(C) where the Relevant Dividend is a Special Cash Dividend, the Exchange Price will be adjusted downwards.

(iv) For the purposes of adjustment to the Exchange Price pursuant to Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*):

(A) any adjustment to the Exchange Price shall take effect on the Relevant Adjustment Date (or, if later, on the first date on which the Fair Market Value of the Relevant Dividend as aforesaid can be determined); and

(B) the Fair Market Value of any Relevant Dividend shall be determined by the Calculation Agent in good faith at the Relevant Adjustment Date.

(v) Definitions:

"**Dividend**" means any Ordinary Cash Dividend or Special Cash Dividend;

"**Dividend Amount**" means, in respect of any Dividend, the Fair Market Value per Share of such Dividend on the Relevant Record Date;

"**Dividend Threshold**" means (i) (other than in respect of a Special Cash Dividend) in respect of each Relevant Period, the Reference Amount on a per Share basis specified to be paid in the Relevant Period provided that, if more than one Ex-Date has occurred in a Relevant Period, the Dividend Threshold shall apply to the first such Ex-Date to occur and the Dividend Threshold in respect of any subsequent Ex-Date occurring in such Relevant Period shall be zero; and (ii) in respect of a Special Cash Dividend, the Dividend Threshold shall be zero;

"**Ex-Date**" means the first Scheduled Trading Day on which the Shares are traded ex- the Relevant Dividend on the Relevant Stock Exchange;

"**Ordinary Cash Dividend**" means (i) any Ordinary Dividend which is, or may at the election of a Shareholder be, paid or made in cash, such Ordinary Dividend being treated as an Ordinary Cash Dividend in the amount of such cash; or (ii) any issue or delivery of Shares (or other assets or property) by the Company to its Shareholders which is announced or expressed as a Dividend or which is in lieu of a Dividend in cash (whether or not a cash Dividend amount is announced)

and which is an Ordinary Dividend, such issue or delivery being treated as an Ordinary Cash Dividend in an amount equal to the Volume Weighted Average Price of such Shares or, as the case may be, the Fair Market Value of such assets or property on the first date on which the Shares are traded ex-the relevant entitlement on the Relevant Stock Exchange (or if later the first date on which the number of Shares or, as the case may be, other assets or property which may be issued or delivered is, or is capable of being, determined);

"**Ordinary Dividend**" means any Dividend which does not (or would not) result in an adjustment to the options contracts in respect of the Shares pursuant to the Eurex Corporate Actions Procedures or the rules of the Alternative Option Exchange (if any);

"**Reference Amount**" has the meaning ascribed to it in the applicable Final Terms;

"**Relevant Adjustment Date**" means each Ex-Date in respect of a Relevant Dividend and, if no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period, the first Scheduled Trading Day following the end of such Relevant Period. If no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period, for the purposes of the Relevant Adjustment Date falling on the first Scheduled Trading Day of the following Relevant Period, the Dividend Threshold shall be deemed to be equal to the Dividend Threshold in respect of such Relevant Period in which no Ex-Date in respect of an Ordinary Cash Dividend occurred;

"**Relevant Period**" has the meaning ascribed to it in the applicable Final Terms;

"**Relevant Record Date**" means the Scheduled Trading Day which immediately precedes the Relevant Adjustment Date; and

"**Special Cash Dividend**" means any dividend in cash which is declared by the Company to be a special dividend, an extraordinary dividend and/or a return of capital (or is otherwise not declared to be an ordinary dividend).

(b) Adjustments in accordance with Condition 8(a)(i) (*Adjustment of Exchange Price and the Shares*) will become effective as specified in Condition 8(a)(i) (*Adjustment of Exchange Price and the Shares*). Adjustments in accordance with Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*) shall become effective as specified in Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*). Adjustments in accordance with this Condition 8 (*Adjustment of Exchange Price and the Shares*) (including Condition 8(a)(ii) (*Adjustment of Exchange Price and the Shares*)) will not be made, if the effective date for such adjustments is later than, in the case of Exchangeable Notes in respect of which Exchange Rights have been exercised, the last Averaging Date (where the Cash Amount is to be paid in respect of such exercise).

(c) All adjustments to the Exchange Price will be calculated by the Calculation Agent. Any adjustment to the Exchange Price determined will, if necessary, be rounded to four decimal places, with 0.00005 being rounded upwards, and any subsequent adjustments shall be made on the basis of such adjusted Exchange Price, so rounded.

(d) The Issuer will give notice to Noteholders in accordance with Condition 20 (*Notices*) of any adjustment to the Exchange Price pursuant to this Condition 8 (*Adjustment of Exchange Price and the Shares*) as soon as reasonably practicable.

(e) If any share price relevant for any calculation of a price or Cash Amount in accordance with this Condition 8 (*Adjustment of Exchange Price and the Shares*) (other than Condition 8(a)(ii)) is subsequently corrected by the Relevant Stock Exchange and the correction is published within less than one Settlement Cycle after the original publication, the Issuer shall notify the Noteholders of the corrected Share Price or Cash Amount and any necessary further adjustment of the terms of the Exchangeable Notes.

(f) For the avoidance of doubt, no adjustment will be made to the Exchange Price where Shares or other securities (including rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including the personal service company of any such employee or directors holding or formerly holding executive office) or their spouses or relatives, in each case, of the Company or any associated company or its or their Affiliates or to a trustee or trustees to be held for the benefit of any such person, or any other member of the Company's group savings plan, in any such case pursuant to any share or option scheme (including for the avoidance of doubt any share capital increase of the Company reserved for employees and related schemes or any successor or similar scheme) or pursuant to any dividend reinvestment plan or similar plan or scheme.

(g) As used in these Conditions:

"**Settlement Cycle**" means the period of dealing days following a trade in the Shares on the Relevant Stock Exchange in which settlement will customarily occur according to the rules of the Relevant Stock Exchange.

9. **Disrupted Days**

If any Averaging Date is a Disrupted Day:

(a) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant price; provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant price on the final Averaging Date, as if such final Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Share, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (ii) of the definition of "Valuation Date" below,

and, for the purposes of these Conditions "Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur.

The following definitions shall apply:

"**Averaging Cut-Off Date**" means the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, or on account of such date not being a Scheduled Trading Day, would have been the final Averaging Date, or, if earlier, the Scheduled Trading Day falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount may have to be made pursuant to any calculation or determination made on the relevant Averaging Dates, provided that the Averaging Cut-Off Date shall not fall prior to the original date on which the final Averaging Date was scheduled to fall;

"**Disrupted Day**" means any Scheduled Trading Day on which the Relevant Stock Exchange for the Shares or the Related Exchange fails to open for trading during its regular trading session (a "**Failure to Open**") or on which a Market Disruption Event has occurred, as determined by the Calculation Agent;

"**Early Closure**" means the closure on any Exchange Business Day of the Relevant Stock Exchange or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Relevant Stock Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Relevant Stock Exchange or, as the case may be, the Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the system of the Relevant Stock Exchange or, as the case may be, Related Exchange for execution at the Valuation Time on such Exchange Business Day;

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Relevant Stock Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares on the Related Exchange;

"**Market Disruption Event**" means, in relation to a Share, each of (i) Trading Disruption, (ii) Exchange Disruption or (iii) Early Closure, but in respect of (i) and (ii) only if the Calculation Agent determines that such event is material at any time during the one hour period that ends at the Valuation Time for such Share;

"**Related Exchange**" means Eurex or any Alternative Options Exchange, as the case may be;

"**Scheduled Closing Time**" means, in respect of the Relevant Stock Exchange or the Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Relevant Stock Exchange or, or as the case may be, Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"**Trading Disruption**" means any suspension of or limitation imposed on trading by the Relevant Stock Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or, as the case may be, Related Exchange or otherwise (i) relating to the Shares on the Relevant Stock Exchange, or, as the case may be, (ii) in futures or options contracts relating to the Shares on the Related Exchange;

"**Valuation Cut-Off Date**" means the eighth Scheduled Trading Day immediately following the Scheduled Valuation Date or, if earlier, the Scheduled Trading Day falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall;

"**Valuation Date**" means each Valuation Date specified in the applicable Final Terms or if that is not a Scheduled Trading Day the immediately following Scheduled Trading Day. If such day is a Disrupted Day, then, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to, and including, the Valuation Cut-Off Date is a Disrupted Day. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall

determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Valuation Cut-Off Date; and

"**Valuation Time**" means the Scheduled Closing Time in respect of the relevant Scheduled Trading Day.

10. **Nationalisation or Delisting**

(a) If a Nationalisation and/or Delisting occurs, the Issuer shall, by providing notice to Noteholders of the occurrence of such event in accordance with Condition 20 (*Notices*) within five Business Days of the Relevant Announcement Date specifying the Automatic Early Redemption Date which notice shall be irrevocable, redeem all but not only some of the outstanding Exchangeable Notes at their Automatic Early Redemption Amount on the Automatic Early Redemption Date. The Issuer shall give notice of the Automatic Early Redemption Amount to Noteholders in accordance with Condition 20 (*Notices*) as soon as reasonably practicable after the determination thereof and in any event not later than the date falling five Business Days prior to the Automatic Early Redemption Date.

(b) The following definitions shall apply:

"**Delisting**" means, in respect of any relevant Shares:

(i) in the case where the Relevant Stock Exchange is not located in the United States, such Relevant Stock Exchange announces that pursuant to the rules of such Relevant Stock Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Relevant Stock Exchange for any reason (other than by reason of a merger, takeover or other special circumstances as contemplated by the Eurex Corporate Actions Procedures) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Relevant Stock Exchange (or, where the Relevant Stock Exchange is within the European Union, in a member state of the European Union); or

(ii) in the case where the Relevant Stock Exchange is located in the United States, such Relevant Stock Exchange announces that pursuant to the rules of such Relevant Stock Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Relevant Stock Exchange for any reason (other than by reason of a merger, takeover or other special circumstances as contemplated by the Eurex Corporate Actions Procedures) and are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the American Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors).

If the Shares are immediately re-listed, re-traded or re-quoted on any exchange or quotation system, such exchange or quotation system shall be deemed to be the Relevant Stock Exchange in respect of such Shares.

"**Nationalisation**" means that, as determined by the Calculation Agent, all the Shares or all or substantially all the assets of the Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

11. **Redemption and Purchase**

(a) *Redemption at Maturity*

(i) Unless previously redeemed or purchased and cancelled in accordance with these Conditions or in respect of which Exchange Rights have been exercised as herein provided, each Exchangeable Note will be redeemed by the Issuer at its Final Redemption Amount on the Maturity Date.

(ii) In these Conditions, "**Final Redemption Amount**" means, unless otherwise specified in the applicable Final Terms, in respect of each Specified Denomination of Exchangeable Notes, the sum (rounded to two decimal places, with 0.005 being rounded upwards) of the Maturity Daily Cash Amounts, where "**Maturity Daily Cash Amount**" or "**MDCA**" means an amount in the Specified Currency calculated by the Calculation Agent for each Maturity Averaging Date in respect of each Specified Denomination of the Exchangeable Notes, in accordance with the following formula:

$$MDCA = \frac{1}{N} \times Max\ (MRER_n \times MP_n; SD)$$

Where:

SD	=	Specified Denomination;
N	=	the number of Maturity Averaging Dates specified in the applicable Final Terms under the heading: "Maturity Averaging Dates";
Max	=	the greater of the amounts separated by the semi-colon inside the brackets;
MP_n	=	the Share Price on such Maturity Averaging Date; and
$MRER_n$	=	the Relevant Exchange Ratio prevailing on such Maturity Averaging Date

"**Maturity Averaging Date**" means, subject to adjustment for Disrupted Days pursuant to Condition 9 (*Disrupted Days*), each consecutive Scheduled Trading Day equal to the number of consecutive Scheduled Trading Days specified in the applicable Final Terms under the heading "Maturity Averaging Period" commencing on the number of Scheduled Trading Days before the Maturity Date specified in the applicable Final Terms under the heading "Specified Maturity Averaging Commencement Date".

(b) *Redemption at the Option of the Issuer*

If specified as applicable in the applicable Final Terms, the Issuer may, on giving not less than 45 nor more than 60 calendar days' notice (an "**Optional Redemption Notice**") (which notice shall be irrevocable) to the Noteholders in accordance with Condition 20 (*Notices*), redeem all but not some only of the Exchangeable Notes for the time being outstanding on the date specified in the Optional Redemption Notice at their Early Redemption Amount if, at any time, the aggregate nominal amount of the Exchangeable Notes outstanding is equal to or less than 15 per cent. of the aggregate nominal amount of the Exchangeable Notes originally issued (for which purpose, any further Exchangeable Notes issued pursuant to Condition 21 (*Further Issues*) and consolidated and forming a single series with the Exchangeable Notes shall also be deemed to have been 'originally issued').

(c) *Settlement of Options Contracts*

If options contracts in respect of the Shares are traded on the Related Exchange, and any event occurs as a result of which all such relevant options contracts are settled (including in accordance with the Eurex Corporate Actions Procedures or, in the case of an Alternative Options Exchange, the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time, for example following the occurrence of a merger or takeover as provided in the Eurex Corporate Actions

Procedures and other than as a result of a Nationalisation, a Delisting or a Change in Law) the Issuer shall give notice to Noteholders in accordance with Condition 20 (*Notices*) within ten Business Days of the Relevant Announcement Date (which notice shall be irrevocable) and shall thereafter redeem all but not some only of the outstanding Exchangeable Notes at their Automatic Early Redemption Amount on the Automatic Early Redemption Date. The Issuer shall give notice of the Automatic Early Redemption Amount to Noteholders in accordance with Condition 20 (*Notices*) as soon as reasonably practicable after the determination thereof and in any event not later than the date falling five Business Days prior to the Automatic Early Redemption Date.

(d) *Nationalisation, or Delisting*

Upon the occurrence of a Nationalisation or a Delisting, Condition 10(a) (*Nationalisation or Delisting)* shall apply.

(e) *Redemption for Tax Reasons*

The Issuer may redeem the Exchangeable Notes, in whole, but not in part, at any time prior to maturity at their Early Redemption Amount if: (i) the Issuer or the Guarantor shall determine that the Issuer would be required to pay Additional Tax Amounts, as provided in Condition 14 (*Taxation*), on the occasion of the next payment due with respect to the Exchangeable Notes; (ii) any payment or deemed payment as determined for United States tax purposes with respect to the Exchangeable Notes or with respect to a direct or indirect hedging arrangement entered into by the Issuer or any of its Affiliates relating to the Exchangeable Notes may be treated as a dividend or "dividend equivalent" for United States tax purposes (such event being a "**U.S. Withholding Tax Event**"); or (iii) on the occasion of the next payment due in respect of the Exchangeable Notes, the Guarantor would be unable to procure the Issuer to make payment and, in making such payment itself under the MLBV/MLICo. Guarantee, the Guarantor would be required to pay Additional Tax Amounts as provided in Condition 14 (*Taxation*).

Notice of intention to redeem Exchangeable Notes pursuant to this Condition 11(e) (*Redemption for Tax Reasons*) will be given at least once in accordance with Condition 20 (*Notices*) not less than 30 calendar days nor more than 60 calendar days prior to the date fixed for redemption, provided that no such notice of redemption shall be given earlier than 90 calendar days prior to the effective date of such change or amendment and that at the time notice of such redemption is given, such obligation to pay such Additional Tax Amounts remains in effect and cannot be avoided by the Issuer's taking reasonable measures available to it. From and after any redemption date, if monies for the redemption of Exchangeable Notes shall have been made available for redemption on such redemption date, such Exchangeable Notes shall cease to bear interest, if applicable, and the only right of the holders of such Exchangeable Notes shall be to receive payment of the Early Redemption Amount and, if appropriate, all unpaid interest accrued to such redemption date.

(f) *Redemption for Tax Compliance Reasons*

MLBV may, at its option, redeem the Exchangeable Notes, in whole or in part, at any time prior to maturity, at their Early Redemption Amount, together, if appropriate, with accrued interest to (but excluding) the date fixed for redemption, if MLBV determines in good faith that it has, or there is a substantial likelihood that it will, become subject to withholding imposed on a payment made to it on account of MLBV's inability to comply with the reporting requirements imposed by the FATCA Provisions (as defined below), provided that such inability to comply with the reporting requirements is attributable to non-compliance by any Holder of such Exchangeable Notes (or a foreign withholding agent (if any) in the chain of custody of payments made to the Holders) with MLBV's requests for certifications or identifying information (such redemption, a "**Redemption for Tax Compliance Reasons**"). Upon a Redemption for Tax Compliance Reasons, Exchangeable Notes held by compliant Holders, in addition to those held by non-compliant Holders, may be redeemed.

Notice of intention to redeem Exchangeable Notes pursuant to this Condition 11(f) will be given in accordance with Condition 20 (*Notices*) not less than 30 calendar days nor more than 60 calendar days prior to the date fixed for redemption. From and after any redemption date, if monies for the redemption of Exchangeable Notes shall have been made available for redemption on such redemption date, such Exchangeable Notes shall cease to bear interest, if applicable, and the only right of the holders of such Exchangeable Notes shall be to receive payment of the Early Redemption Amount and, if appropriate, all unpaid interest accrued to such redemption date.

As used in these Exchangeable Note Terms and Conditions, the term "FATCA Provisions" means Sections 1471 through 1474 of the Code (or any successor provisions), any regulation, pronouncement, or agreement thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto whether currently in effect or as published and amended from time to time, and any intergovernmental agreement entered into in connection with the implementation of such provisions of the Code.

(g) *Change in Law*

If Change in Law is specified as applicable in the applicable Final Terms, then if a Change in Law occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the terms of these Conditions and/or the applicable Final Terms to account for the Change in Law and determine the effective date of that adjustment; or

(ii) give notice to Holders in accordance with Condition 20 (*Notices*) and redeem all, but not less than all, of the Exchangeable Notes at the Automatic Early Redemption Amount on the Automatic Early Redemption Date.

Upon the occurrence of a Change in Law, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 20 (*Notices*) stating the occurrence of the Change in Law, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the actions which may be taken in respect of such Change in Law under these Conditions.

(h) *Illegality*

If the Issuer determines in good faith that (i) the performance of the Issuer's obligations under the Exchangeable Notes or that any arrangements made to hedge the Issuer's obligations under the Exchangeable Notes or the performance by the Guarantor of any of its obligations under the MLBV/MLICo. Guarantee in respect of the Exchangeable Notes, has or will become, in whole or in part, unlawful, illegal or otherwise contrary to any present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative, judicial or regulatory authority or powers, or any change in the interpretation thereof that is applicable to the Issuer and/or the Guarantor, the Issuer may, at its discretion, by giving, at any time, not less than 10 nor more than 30 calendar days' notice to Noteholders in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable), elect that such Exchangeable Notes be redeemed, in whole but not in part, on the date specified by the Issuer, each Exchangeable Note being redeemed at the Early Redemption Amount.

(i) *Repurchases*

The Issuer, the Guarantor or any of their Affiliates may purchase at any time and from time to time outstanding Exchangeable Notes by tender, in the open market or by private agreement. Such Exchangeable Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor, surrendered to the Principal Paying Agent for cancellation.

(j) *Cancellations*

All Exchangeable Notes which are redeemed or in respect of which Exchange Rights are exercised will forthwith be cancelled. All Exchangeable Notes so cancelled and any Exchangeable Notes purchased and cancelled pursuant to Condition 11(i) (*Repurchases*) cannot be reissued or resold.

(k) *Multiple Notices*

If more than one notice of redemption is given pursuant to this Condition 11, the first of such notices to be given shall prevail.

12. **Payments**

(a) *Method of Payment*

Payments of principal, Cash Amounts, interest and any other amounts due on the Exchangeable Notes shall be paid to the person shown on the Register on the Record Date. Payments in respect of each Exchangeable Note shall be made in the relevant Specified Currency by cheque drawn on a bank in the principal financial centre of the country of such Specified Currency and mailed to the Noteholder (or the first named of joint holders) of such Exchangeable Note at its address appearing in the Register. Upon application by the Noteholder to the specified office of the Principal Paying Agent before the Record Date, such payment may be made by transfer to an account in the Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (or, if the Specified Currency is euro, any other account to which euro may be credited or transferred). Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 14 (*Taxation*).

(b) *Payments in respect of Exchangeable Notes*

(i) *Payments in respect of Definitive Registered Notes*

Payments of principal, and interest in respect of Definitive Registered Notes will be made in the manner provided in paragraph (a) above to the person shown in the Register on the Record Date.

(ii) *Payments in respect of Global Notes*

All payments in respect of a Global Note will be made to the person shown in the Register on the Record Date.

The person shown in the Register on the Record Date shall be the only person entitled to receive payments in respect of Exchangeable Notes represented by such Global Note and the Issuer and any Guarantor, will be discharged by payment to, or to the order of, to such person in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Exchangeable Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for such person's share of each payment so made by the Issuer or the Guarantor.

(c) *Payment Day*

If the date scheduled for payment of any amount in respect of any Exchangeable Note is not a Payment Day, the Holder thereof shall not be entitled to payment of the amount due until (i) if "Following" is specified in the applicable Final Terms, the next following Payment Day or (ii) if "Modified Following" is specified in the applicable Final Terms, the next following Payment Day unless that Payment Day falls in the next calendar month, in which case the first preceding Payment Day, in the relevant place and shall not be entitled to further interest or other payment in respect of such delay or amendment.

For these purposes, "**Payment Day**" means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchanges and foreign currency deposits) in:

(i) the principal financial centre of the country of the relevant Specified Currency (or in the case of an amount payable in euro, a day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) system or any successor thereto is operating);

(ii) each Additional Financial Centre specified in the applicable Final Terms, provided that if the Additional Financial Centre is specified in the applicable Final Terms to be or to include "TARGET", then Payment Day shall also be a day on which the TARGET2 System is operating; and

(iii) London.

(d) *Interpretation of Principal and Interest*

(i) Any reference in these Exchangeable Note Terms and Conditions to principal in respect of the Exchangeable Notes shall be deemed to include, as applicable:

(A) any Additional Tax Amounts which may be payable with respect to principal under Condition 14 (*Taxation*);

(B) the Final Redemption Amount of the Exchangeable Notes;

(C) the Early Redemption Amount of the Exchangeable Notes;

(D) the Automatic Early Redemption Amount of the Exchangeable Notes;

(E) the Cash Amount of the Exchangeable Notes;

(F) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Exchangeable Notes.

(ii) Any reference in these Exchangeable Note Terms and Conditions to interest in respect of the Exchangeable Notes shall be deemed to include, as applicable, any Additional Tax Amounts which may be payable with respect to interest under Condition 14 (*Taxation*).

(iii) Any principal, interest or other amount payable under these Exchangeable Note Terms and Conditions shall never be less than zero.

(e) *Definition of Affiliate*

"**Affiliate**" means, in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity.

13. **Currency Substitution Event**

If the Issuer and the Calculation Agent, in their discretion, determine that any Relevant Governmental Authority (as defined below) of a country, bloc of countries or other applicable sovereign entity or entities (each, an "**Applicable Jurisdiction**") announces or in any event effects (whether pursuant to legislation enacted for such purpose in the Applicable Jurisdiction, in accordance with or in breach of applicable international treaties, or in any other manner) or (based on any publicly available information which the Issuer and the Calculation Agent reasonably consider relevant) there is a substantial likelihood that it will effect within the next 90 days, the replacement of the lawful currency (the "**Initial Currency**") of an Applicable

Jurisdiction with a substitute currency ("**Substitute Currency**") (for the avoidance of doubt, including circumstances in which a country (a "**Departing Country**") within a bloc of countries in a currency union passes legislation (or a Relevant Governmental Authority thereof announces that it will pass legislation or otherwise seeks) to effect or does effect the withdrawal of such Departing Country from the currency bloc and the replacement of the currency of the currency union with another currency as the official currency of the Departing Country) (any such event being a "**Currency Substitution Event**"), and:

(a) the calculation of the Cash Amount and any amounts to be paid under any Exchangeable Note by reference to the Share(s) and the currency by which the Share(s) is priced, quoted or traded is (or, in the Issuer's reasonable opinion is likely to be), as a result of the Currency Substitution Event, redenominated from the Initial Currency into the Substitute Currency; and/or

(b) the calculation of amounts to be paid or assets to be delivered under any Exchangeable Note is linked to one or more floating rates of interest based on or related to amounts denominated in the Initial Currency; and/or

(c) the Hedging Arrangements (as defined below) in respect of any Exchangeable Note have been materially adversely affected by (A) the Currency Substitution Event and/or (B) capital controls or other restrictions imposed by a Relevant Governmental Authority of the Applicable Jurisdiction, and the Hedging Party (as defined below) is unable, after using commercially reasonable efforts, to alter or modify the Hedging Arrangements and/or establish alternate Hedging Arrangements to fully account for the material adverse effect of (A) and/or (B) above,

or in the event that the currency in which the Issuer would otherwise be obligated to make any payments of principal, interest or other amounts payable on any Note is not available to the Issuer for making payment or payments, then, unless otherwise provided in the applicable Final Terms, the Issuer and the Calculation Agent may, in their discretion:

(x) make such adjustments, as shall be notified to each Holder of the relevant Exchangeable Notes, to the exercise, settlement, valuation, calculation, payment (including the Specified Currency and/or Settlement Currency) and/or any other Exchangeable Note Terms and Conditions as the Issuer determines appropriate to (i) (in all cases other than (c) above) preserve the economic terms of such Exchangeable Notes as of the Issue Date, including, without limitation, making any currency conversion necessary as part of any such adjustment based on the relevant official conversion rate or at an appropriate market rate of exchange determined by the Calculation Agent to be prevailing as of any relevant time and date, or (ii) (in the case of (c) above) account for the material adverse effect on the Hedging Arrangements and in order to effect a commercially reasonable result; or

(y) redeem such Exchangeable Notes on such day as shall be notified to the relevant Noteholders at their Early Redemption Amount.

For the avoidance of doubt, the circumstances and consequences described in this Condition 13 (*Currency Substitution Event*) and any resulting or alternative adjustments to the exercise, settlement, valuation, calculation, payment and/or any other Exchangeable Note Terms and Conditions will not entitle any Holder of such Exchangeable Notes (A) to any legal remedy, including, without limitation, rescission, repudiation, or renegotiation of the Exchangeable Notes, or (B) to raise any defence or make any claim (including, without limitation, claims of breach, force majeure, frustration of purpose, or impracticability) or any other claim for compensation, damages, or any other relief.

For the purposes of this Condition 13 (*Currency Substitution Event*):

"**Associated Costs**" means an amount per Exchangeable Note of the Specified Denomination equal to such Exchangeable Notes' *pro rata* share of the total amount of any and all costs associated or incurred by the Issuer or any Affiliate in connection with such early redemption, including, without limitation, any costs associated with unwinding any funding relating to the

Exchangeable Notes and any costs associated with unwinding any hedge positions relating to the Exchangeable Notes, all as determined by the Calculation Agent in its sole discretion.

"**Hedging Arrangements**" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange or (b) other instruments or arrangements (howsoever described) in order to hedge individually or on a portfolio basis the Issuer's obligations under any Exchangeable Note.

"**Hedging Party**" means the Issuer or any of the Issuer's Affiliate(s) or any entity (or entities) acting on the Issuer's behalf engaged in any underlying or hedging transactions relating to any Exchangeable Note and/or underlying market measure(s) in respect of the Issuer's obligations under the Exchangeable Note.

"**Relevant Governmental Authority**" means, in relation to any Applicable Jurisdiction, any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of such Applicable Jurisdiction.

14. Taxation

The Issuer or the Guarantor will, subject to certain limitations and exceptions (set forth below), pay to a Noteholder who is a United States Alien or a Netherlands Non-resident (each as defined below) such additional amounts ("**Additional Tax Amounts**") as may be necessary so that every net payment of principal or interest or other amount with respect to the Exchangeable Notes or the MLBV/MLICo. Guarantee after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon such Noteholder or by reason of the making of such payment, by the United States or the Netherlands (as applicable) or any political subdivision or taxing authority of or in the United States or the Netherlands (as applicable), as the case may be, will not be less than the amount provided for in the Exchangeable Notes or the MLBV/MLICo. Guarantee (as applicable) to be then due and payable, as the case may be. Neither the Issuer nor the Guarantor shall be required to make any payment of Additional Tax Amounts for or on account of:

(a) any tax, assessment or other governmental charge which would not have been imposed but for (i) the existence of any present or former connection between such Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Noteholder if such Noteholder is an estate, trust, partnership or corporation) and the United States or the Netherlands (as applicable), as the case may be, including, without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident or treated as a resident of the United States or the Netherlands (as applicable), as the case may be, or being or having been present or engaged in a trade or business in the United States or the Netherlands (as applicable), as the case may be, or having or having had a permanent establishment in the United States or the Netherlands (as applicable), as the case may be, or (ii) the presentation of a Exchangeable Note for payment on a date more than 15 calendar days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(b) any estate, inheritance, gift, sales, transfer, excise, wealth or personal property or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge imposed by reason of such Noteholder's past or present status as a personal holding company, foreign personal holding company, passive foreign investment company, private foundation, or other tax-exempt entity, or controlled foreign corporation for United States tax purposes or a corporation which accumulates earnings to avoid United States federal income tax;

(d) any tax, assessment or other governmental charge which is payable otherwise than by withholding from payments of principal or interest or other amount with respect to the Exchangeable Notes;

(e) any tax, assessment or other governmental charge imposed as a result of such Noteholder's past or present status as the actual or constructive owner of 10 per cent. or more of the total combined voting power of all classes of stock of the Issuer entitled to vote;

(f) any tax, assessment or other governmental charge imposed as a result of such Noteholder being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(g) any tax, assessment or other governmental charge which would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence, identity or connection with the United States or the Netherlands (as applicable), as the case may be, of the Noteholder or of the beneficial owner of such Exchangeable Note, if such compliance is required by statute or by Regulation of the U.S. Department of the Treasury or of the relevant Netherlands authority (as applicable), as the case may be, as a precondition to relief or exemption from such tax, assessment or other governmental charge;

(h) any tax, assessment, or governmental charge imposed solely because the payment is to be made by a particular Paying Agent or a particular office of a Paying Agent and would not be imposed if made by another agent or by another office of this agent;

(i) any tax, assessment, or other governmental charge that is imposed or withheld by reason of the application of Sections 1471 through 1474 of the Code (or any successor provisions), any regulation, pronouncement, or agreement thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, whether currently in effect or as published and amended from time to time, or any intergovernmental agreement entered into in connection with the implementation of such provisions of the Code;

(j) any tax, assessment, or other governmental charge that is imposed or withheld by reason of the payment being treated as a dividend or "dividend equivalent" for United States tax purposes; or

(k) any combination of paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i) and (j) above,

nor shall Additional Tax Amounts be paid to any United States Alien or Netherlands Non-resident (as applicable), as the case may be, which is a fiduciary or partnership or other than the sole beneficial owner of the Exchangeable Note to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner of the Exchangeable Note would not have been entitled to payment of the Additional Tax Amounts had such beneficiary, settlor, member or beneficial owner been the holder of the Exchangeable Note.

The term "**United States Alien**" means any corporation, partnership, entity, individual, or fiduciary that is for United States federal income tax purposes (1) a foreign corporation, (2) a foreign partnership to the extent one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual, or a foreign estate or trust, (3) a non-resident alien individual, or (4) a foreign estate or trust.

The term "**Netherlands Non-resident**" means any individual, corporation, partnership or any other entity that for Netherlands tax purposes is a non-resident individual, non-resident corporation, non-resident partnership or any other non-resident entity.

15. **Events of Default**

(a) The occurrence of one or more of the following events with respect to any Series of Exchangeable Notes issued by MLBV shall constitute an "Event of Default" with respect to such Series:

(i) default shall be made in the payment of any amount of interest due in respect of any such Exchangeable Notes and the default continues for a period of 30 calendar days after the due date; or

(ii) default shall be made in the payment of any principal, Cash Amount or other amount in respect of any such Exchangeable Notes (in each case whether at maturity or upon redemption or otherwise), and such default continues for a period of 30 calendar days after the due date; or

(iii) MLBV shall fail to perform or observe any other term, covenant or agreement contained in the Terms and Conditions applicable to any of such Exchangeable Notes or in the English Law Agency Agreement for the period of 90 calendar days after the date on which written notice of such failure, requiring MLBV to remedy the same, first shall have been given to the Principal Paying Agent and MLBV by Holders of at least 33 per cent. of the aggregate principal amount of any such Exchangeable Notes outstanding; or

(iv) a court having jurisdiction in the premises shall have entered a decree or order granting relief with respect to MLBV in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of MLBV of all or substantially all of its property or for the winding up or liquidation of its affairs, and such decree or order shall have remained in force and unstayed for a period of 60 consecutive calendar days; or

(v) MLBV shall institute proceedings for relief under any applicable bankruptcy, insolvency or any other similar law now or hereafter in effect, or shall consent to the institution of any such proceedings against it, or shall consent to the appointment of a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of it or of all or substantially all of its property, or shall make an assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of any of the foregoing; or

(vi) any other events of default specified for a Series of Exchangeable Notes in the applicable Final Terms.

If an Event of Default shall occur and be continuing with respect to any Series of Exchangeable Notes issued by MLBV, then the Holders of at least 33 per cent. in aggregate principal amount of such Exchangeable Notes outstanding may, at their option, declare such Exchangeable Notes to be due and payable immediately at the Early Redemption Amount, by written notice to MLBV, the Guarantor and the Principal Paying Agent at its main office in London, and if any such default is not waived in accordance with Condition 15(c) or cured by MLBV or the Guarantor, as the case may be, prior to receipt of such written notice, such Exchangeable Notes shall become and be immediately due and payable at the Early Redemption Amount.

An Event of Default will not occur and there will not be any right to accelerate payment of principal, the interest accrued, or any other amounts then payable thereon (and Additional Tax Amounts, if any) of any Series of Exchangeable Notes as a result of a covenant breach by the Guarantor.

(b) At any time after any Series of Exchangeable Notes has become due and payable following a declaration of acceleration made in accordance with this Condition 15 (*Events of Default*) and before a judgment or decree for payment of the money due with respect to such Exchangeable Notes has been obtained by any Noteholder of such Exchangeable Notes, such declaration and its consequences may be rescinded and annulled upon the written consent of Noteholders of a majority in aggregate principal amount of such Exchangeable Notes then outstanding, or by resolution adopted by a majority in aggregate principal amount of such Exchangeable Notes outstanding present or represented at a meeting of Noteholders of such Exchangeable Notes at which a quorum is present, as provided in the English Law Agency Agreement, if:

(i) the Issuer has paid, or has deposited with the relevant clearing system, a sum sufficient to pay:

(A) all overdue amounts of interest on such Exchangeable Notes;

(B) the principal of such Exchangeable Notes which has become due otherwise than by such declaration of acceleration; and

(ii) all Events of Default with respect to such Exchangeable Notes, other than the non-payment of the principal of such Exchangeable Notes which has become due solely by such declaration of acceleration, have been cured or waived as provided in Condition 15(c) below.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

(c) Any default by the Issuer or the Guarantor, other than the events described in Condition 15(a)(i), Condition 15(a)(ii), Condition 15(b)(i) or Condition 15(b)(ii) may be waived by the written consent of Noteholders of a majority in aggregate principal amount of such Exchangeable Notes then outstanding affected thereby, or by resolution adopted by a majority in aggregate principal amount of such Exchangeable Notes then outstanding present or represented at a meeting of Noteholders of such Exchangeable Notes affected thereby at which a quorum is present, as provided in the English Law Agency Agreement. Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the English Law Agency Agreement, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

16. **Prescription**

The Exchangeable Notes will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 5 (*Definitions*)) therefor.

Claims in respect of any other amounts payable in respect of the Exchangeable Notes shall be prescribed and become void unless made within ten years following the Relevant Date.

Under New York's statute of limitations generally, the payment obligations of the Guarantor evidenced by the MLBV/MLICo. Guarantee of such Exchangeable Notes must be commenced within six years after payment is due. Thereafter, such payment obligations will generally become unenforceable.

17. **Replacement of Exchangeable Notes**

Should any Exchangeable Notes be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Exchangeable Notes must be surrendered before replacements will be issued.

18. **Paying Agents, Registrar and Calculation Agent**

(a) *Principal Paying Agent and Registrar*

The Issuer and the Guarantor are entitled to vary or terminate the appointment of the Principal Paying Agent or the Registrar and/or appoint additional or other Principal Paying Agents or Registrars and/or approve any change in the specified office through which any Principal Paying Agent or Registrar acts, provided that:

(i) there will at all times be a Principal Paying Agent and a Registrar (which, in the case of the Registrar, shall be an entity with a specified office outside the United Kingdom);

(ii) so long as the Exchangeable Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Principal

Paying Agent, with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(iii) there will at all times be a Principal Paying Agent in a jurisdiction within Europe other than any jurisdiction in which the Issuer or the Guarantor is incorporated; and

(iv) there shall at all times be a Calculation Agent.

Notice of any variation, termination, appointment or change in the Principal Paying Agent or the Registrar will be given to the Noteholders in accordance with Condition 20 (*Notices*) provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such variation, termination or changes.

In acting under the English Law Agency Agreement, the Principal Paying Agent and the Registrar act solely as agents of the Issuer and the Guarantor and do not assume any obligation to, or relationship of agency or trust with, any Noteholders. The English Law Agency Agreement contains provisions permitting any entity into which the Principal Paying Agent or the Registrar is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent or registrar, as applicable.

(b) *Calculation Agent*

In relation to each issue of Exchangeable Notes, the Calculation Agent (whether it be Merrill Lynch International, BofA Securities Europe SA or another entity) acts solely as agent of the Issuer and the Guarantor and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Noteholders. All calculations and determinations made in respect of the Exchangeable Notes by the Calculation Agent shall be in its sole and absolute discretion (unless, in respect of the particular calculation or determination to be made, the Terms and Conditions provide that it shall be made in a "commercially reasonable manner"), in good faith, and shall (save in the case of wilful default, bad faith, manifest error or proven error) be final, conclusive and binding on the Issuer, the Guarantor, the Agents and the Noteholders. The Calculation Agent shall promptly notify the Issuer and the Principal Paying Agent upon any such calculations and determinations, and (in the absence of wilful default, negligence or bad faith) no liability to the Issuer, the Guarantor, the Agents or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

19. Meetings of Noteholders, Modifications and Waivers

The English Law Agency Agreement contains provisions for convening meetings of the Holders of Exchangeable Notes of a particular Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of such Exchangeable Notes or any of the provisions of the English Law Agency Agreement. Such a meeting may be convened by the Issuer or the Guarantor and shall be convened by the Issuer or the Guarantor if required in writing by the Noteholders holding not less than 33 per cent. in nominal amount of the Exchangeable Notes of the affected Series for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons present and holding or representing in the aggregate not less than 50 per cent. in nominal amount of the Exchangeable Notes of the affected Series for the time being outstanding, or at any adjourned meeting one or more persons present whatever the nominal amount of the Exchangeable Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Exchangeable Notes (including modifying the date of maturity of the Exchangeable Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Exchangeable Notes, altering the currency of payment of the Exchangeable Notes, modifying the provisions

relating to, or cancelling, the Exercise Rights (other than a reduction to the Exercise Price), increasing the Exercise Price (other than an adjustment made in accordance with these Conditions) except, in each case, in accordance with these Conditions, the quorum shall be one or more persons present and holding or representing not less than two-thirds in nominal amount of the Exchangeable Notes of the affected Series for the time being outstanding, or at any adjourned such meeting one or more persons present and holding or representing not less than one-third in nominal amount of the Exchangeable Notes of the affected Series for the time being outstanding.

An Extraordinary Resolution passed at any meeting of the Holders of the Exchangeable Notes of a particular Series shall be binding on all the Holders of Exchangeable Notes of such Series, whether or not they are present at the meeting.

An Extraordinary Resolution may also be effected in writing signed or electronically approved using the systems and procedures in place from time to time of a relevant clearing system by or on behalf of all the Holders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders to:

(a) any modification (except as mentioned above) of the Exchangeable Notes or the English Law Agency Agreement which is not prejudicial to the interests of the Noteholders; or

(b) any modification of the Exchangeable Notes or the English Law Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 20 (*Notices*) as soon as practicable thereafter.

20. Notices

All notices regarding the Exchangeable Notes will be deemed to be validly given:

(a) if, in respect of notices to Holders of Definitive Registered Notes, mailed to them at their respective addresses in the Register. Such notices will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing;

(b) if, in respect of any Exchangeable Notes that are admitted to trading on the Luxembourg Stock Exchange's Euro MTF, and listed on the Official List, of the Luxembourg Stock Exchange, published on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers; or

(c) as otherwise specified in the applicable Final Terms.

Until such time as any Individual Note Certificates are issued, there may, so long as any Global Notes representing the Exchangeable Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, as the case may be, be substituted for such publication in such newspaper(s) (as described in Condition 20(b)) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, as applicable for communication by them to the Holders of the Exchangeable Notes and, in addition, for so long as any Exchangeable Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Holders of the Exchangeable Notes on the day on which such notice was given to Euroclear and/or Clearstream, Luxembourg, as applicable.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with, in the case of Definitive Registered Notes, the related Individual Note Certificate (if applicable), with the Principal Paying Agent. Whilst any of the Exchangeable Notes are represented by a Global Note, such notice may be given by any holder of an Exchangeable Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

21. **Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Exchangeable Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Exchangeable Notes.

22. **Consolidation or Merger**

The Issuer or the Guarantor may not consolidate with, or sell or convey all or substantially all of its assets to, or merge with or into any other entity, other than in the case of the Guarantor, a sale or conveyance of all or substantially all of its assets to one or more Subsidiaries (as defined below), unless (i) (a) in the case of the Issuer, either the Issuer shall be the continuing company, or the successor entity (if other than the Issuer) shall expressly assume the due and punctual payment of all amounts (including Additional Tax Amounts as provided in Condition 14 (*Taxation*)) payable with respect to the Exchangeable Notes, according to their tenor, and the due and punctual performance and observance of all of the obligations under the Conditions to be performed by the Issuer by an amendment to the English Law Agency Agreement executed by, *inter alios*, such successor entity, the Guarantor, the Registrar and the Principal Paying Agent, and (b) in the case of the Guarantor, the Guarantor shall be the continuing company, or the successor entity (if other than the Guarantor) shall be organised and existing under the laws of the United States or a state thereof or the District of Columbia and such successor entity shall expressly assume the due and punctual payment of all amounts, including Additional Tax Amounts as provided in Condition 14 (*Taxation*) payable or deliverable, as applicable, with respect to the MLBV/MLICo. Guarantee by the execution of a new MLBV/MLICo. Guarantee of like tenor and (ii) immediately after giving effect to such transaction, no Event of Default under Condition 15 (*Events of Default*), and no event which, with notice or lapse of time or both, would become such an Event of Default shall have happened and be continuing. In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor entity, such successor entity shall succeed to and be substituted for the Issuer or the Guarantor, as the case may be, with the same effect as if it had been named herein as the Issuer or the Guarantor, as the case may be, and the Issuer or the Guarantor, as the case may be, except in the event of a conveyance by way of lease, shall be relieved of any further obligations under the Conditions, the English Law Agency Agreement and the MLBV/MLICo. Guarantee, as applicable.

"**Subsidiary**" means any entity of which more than 50 per cent of the voting power of the outstanding ownership interests (excluding ownership interests entitled to voting power only by reason of the happening of a contingency) shall at the time be owned, directly or indirectly, by the Guarantor, or one or more Subsidiaries, or by the Guarantor and one or more Subsidiaries. For this purpose, "voting power" means power to vote in an ordinary election of directors (or, in the case of an entity that is not a corporation, ordinarily to appoint or approve the appointment of entities holding similar positions).

23. **Business Days**

In these Terms and Conditions, "**Business Day**" means a day which is both:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre specified in the applicable Final Terms, provided that if the Additional Business Centre is specified in the applicable

Final Terms to be or to include "TARGET", then Business Day shall also be a day on which the TARGET2 System is operating; and

(b) also (1) for any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London) or (2) for any sum payable in euro, a day on which the TARGET2 System is operating.

24. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Exchangeable Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

25. **Governing Law and Jurisdiction**

(a) *Governing law*

The English Law Agency Agreement, the MLBV Exchangeable Notes Deed of Covenant and the Exchangeable Notes issued by MLBV and any non-contractual obligations arising out of or in connection with the English Law Agency Agreement, the MLBV Notes Deed of Covenant and such Exchangeable Notes (including without limitation any dispute, controversy, proceedings or claim of whatever nature (whether contractual, non-contractual or otherwise) arising out of or in any way relating to the English Law Agency Agreement, the MLBV Notes Deed of Covenant and the Exchangeable Notes issued by MLBV or their respective formation) shall be governed by, and construed in accordance with, English law.

The MLBV/MLICo. Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York, United States, applicable to agreements made and to be performed wholly within such jurisdiction without regard to principles of conflicts of laws.

(b) *Submission to jurisdiction*

In relation to any legal action or proceedings ("**Proceedings**") arising out of or in connection with the Exchangeable Notes issued by MLBV, the courts of England have exclusive jurisdiction and MLBV and the Noteholders submit to the exclusive jurisdiction of the English courts. MLBV and the Noteholders waive any objection to Proceedings in the English courts on the grounds of venue or that the Proceedings have been brought in an inconvenient forum.

For greater certainty, the Guarantor has not submitted to the jurisdiction of the English courts in the MLBV/MLICo. Guarantee, and claims under the MLBV/MLICo. Guarantee are required to be instituted in the courts of the State of New York or the courts of the United States of America located in the Borough of Manhattan in the City and State of New York, United States.

(c) *Express Acknowledgement of the U.S. Special Resolution Regimes*

In the event the Issuer or the Guarantor becomes subject to a proceeding under the Federal Deposit Insurance Act or Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (each, a "**U.S. Special Resolution Regime**"), the transfer of the Exchangeable Notes and/or the MLBV/MLICo. Guarantee (together, the "**Relevant Obligations**"), and the transfer of any interest and obligation in or under, and any property securing, the Relevant Obligations, from the Issuer or the Guarantor, respectively, will be effective to the same extent as the transfer would be effective under such U.S. Special Resolution Regime if the Relevant Obligations, and any interest and obligation in or under, and any property securing, the Relevant Obligations, were governed by the laws of the United States or a state of the United States. In the event the

Issuer or the Guarantor, or any of their affiliates (as such term is defined in, and interpreted in accordance with, 12 U.S.C. § 1841(k)) becomes subject to a proceeding under a U.S. Special Resolution Regime, default rights against the Issuer or the Guarantor with respect to the Relevant Obligations are permitted to be exercised to no greater extent than such default rights could be exercised under such U.S. Special Resolution Regime if the Relevant Obligations were governed by the laws of the United States or a state of the United States. For purposes of this paragraph, "**default right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. § 252.81, 12 C.F.R. § 382.1 and 12 C.F.R. § 47.1, as applicable.

(d) *Appointment of Process Agent*

MLBV hereby appoints Bank of America, National Association, London Branch currently at 2 King Edward Street, London EC1A 1HQ (Att: General Counsel EMEA) as its agent in England to receive service of process in any Proceedings in England. If for any reason such process agent ceases to act as such or no longer has an address in England, MLBV agrees to appoint a substitute process agent and to notify the Holders of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

USE OF PROCEEDS OF THE NOTES

The net proceeds from the sale of the Notes issued by BAC will be used for general corporate purposes, including, without limitation, BAC's working capital needs; the funding of investments in, or extensions of credit to, its subsidiaries; possible investments in, or acquisitions of assets and liabilities of, other financial institutions or other businesses; possible reductions, redemptions or repurchases of outstanding indebtedness; possible repayments on outstanding indebtedness; or otherwise in the ordinary course of BAC's business. From time to time BAC may engage in additional capital financings of a character and in amounts that it will determine in light of its needs at such time or times and in light of prevailing market conditions. If BAC elects at the time of issuance of Notes to make different or more specific use of proceeds other than those set forth in this Offering Circular, BAC will describe that use in the applicable Final Terms.

BofA Finance intends to lend the net proceeds from the sale of the Notes to BAC and/or BAC's other subsidiaries. BAC expects that it and/or its subsidiaries will use the proceeds from these loans to provide additional funds for operations and for other general corporate purposes. In addition, BofA Finance may use a portion of net proceeds from the sale of the Notes to hedge its obligations under the Notes by entering into hedging arrangements with one or more affiliates. If BofA Finance elects at the time of issuance of Notes to make different or more specific use of proceeds other than those set forth in this Offering Circular, BofA Finance will describe that use in the applicable Final Terms.

MLBV intends to use the net proceeds from the issue and sale of the Notes for general corporate purposes, including making general loans to affiliates which may use such proceeds for their general corporate purposes. If MLBV elects at the time of issuance of Notes to make different or more specific use of proceeds other than those set forth in this Offering Circular, MLBV will describe that use in the applicable Final Terms.

FORM OF FINAL TERMS OF THE W&C INSTRUMENTS

[**IMPORTANT - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The W&C Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended or superseded ("**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97, as amended or superseded (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended or superseded, the "**EU PRIIPs Regulation**") for offering or selling the W&C Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the W&C Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.][62]

[**IMPORTANT - PROHIBITION OF SALES TO UK RETAIL INVESTORS** - The W&C Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK (as defined below). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA (as defined below) and the regulations made under the EUWA; (ii) a customer within the meaning of the provisions of the FSMA (as defined below) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the W&C Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the W&C Instruments or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.][63]

[**PROHIBITION OF OFFERING AND MARKETING TO SWISS PRIVATE CLIENTS** - The W&C Instruments are not intended to be offered, sold, marketed or otherwise made available to and shall not be offered, sold, marketed or otherwise made available to any private client in Switzerland other than in the context of a portfolio management agreement within the meaning of article 58(2) of the Swiss Financial Services Act ("**FinSA**") and article 83 of the Swiss Financial Services Ordinance ("**FinSO**"). No [simplified prospectus or][64] key information document within the meaning of article 58 FinSA (or equivalent document) has been prepared with respect to the W&C Instruments.][65]

[**Notification under Section 309B(1) of the Securities and Futures Act 2001** (the "**SFA**"): The W&C Instruments are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][66]

[**Notification under Section 309B(1) of the Securities and Futures Act 2001 (the "SFA")**: The W&C Instruments are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment

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62 Include where the W&C Instruments will not be offered, sold or otherwise made available to any retail investor in the European Economic Area.

63 Include where the W&C Instruments will not be offered, sold or otherwise made available to any retail investor in the United Kingdom.

64 Remove reference to "simplified prospectus" if Instruments are offered and marketed after 31 December 2022.

65 Include where the W&C Instruments are being offered and marketed in or into Switzerland only to professional or institutional clients, and where no simplified prospectus or Swiss key investor document (or equivalent document) is available.

66 Applicable where offers are made under Section 275(1A) of the Securities and Futures Act 2001, as designated in the relevant Singapore selling restrictions in the documents for the relevant W&C Instruments and such W&C Instruments are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][67]

[*Date*]

[MERRILL LYNCH B.V.]

[MERRILL LYNCH INTERNATIONAL & CO. C.V.]

LEI: [549300RQ1D1WIE085245] [AHYI0DDQ2LCHPGHJC422]

Issue of [Title of W&C Instruments]

under the Bank of America Corporation, BofA Finance LLC, Merrill Lynch B.V. and Merrill Lynch International & Co. C.V.

Note, Warrant and Certificate Programme

[unconditionally and irrevocably guaranteed as to payment and delivery obligations by Bank of America Corporation][68]

[*Include the following warning for all W&C Instruments where capital is at risk:*

INVESTING IN THE W&C INSTRUMENTS PUTS YOUR CAPITAL AT RISK. YOU MAY LOSE SOME [OR ALL] OF YOUR INVESTMENT.]

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of W&C Instruments in any Member State of the European Economic Area (each, a "**Member State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended or superseded, the "**EU Prospectus Regulation**") from the requirement to publish a prospectus for offers of the W&C Instruments. Accordingly any person making or intending to make an offer of the W&C Instruments in that Member State may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of W&C Instruments in any other circumstances.

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of W&C Instruments in the United Kingdom (the "**UK**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") and the regulations made under the EUWA (the "**UK Prospectus Regulation**") from the requirement to publish a prospectus for offers of the W&C Instruments. Accordingly any person making or intending to make an offer of the W&C Instruments in the UK may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of W&C Instruments in any other circumstances.

[Neither this document nor any other offering or marketing material relating to the W&C Instruments constitutes a prospectus as such term is understood pursuant to the Swiss Financial Services Act ("**FinSA**") and neither this document nor any other offering or marketing material relating to the W&C Instruments may be publicly distributed or otherwise made publicly available in Switzerland, except in

67 Applicable where offers are made under Section 275(1A) of the Securities and Futures Act 2001, as designated in the relevant Singapore selling restrictions in the documents for the relevant W&C Instruments and such W&C Instruments are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

68 Remove references to the Guarantor and the MLBV/MLICo. Guarantee wherever the W&C Instruments to be issued are Secured W&C Instruments. For fungible and straddle trades, references herein should reflect the applicable guarantee.

instances where such marketing, offering or distribution does not require the publication of a prospectus pursuant to the FinSA.][69]

The W&C Instruments [are unsecured and][70] are not and will not be savings accounts, deposits or obligations of, or otherwise guaranteed by, any bank. The W&C Instruments do not evidence deposits of Bank of America, N.A. or any other bank and are not insured by the U.S. Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other insurer or governmental agency or instrumentality.

[Each purchaser of W&C Instruments being offered within the United States or to, or for the account or benefit of, a U.S. person (as defined herein) is hereby notified that the offer and sale of such W&C Instruments is being made in reliance upon an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "**Securities Act**") pursuant to Rule 144A ("**Rule 144A**") and the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"). [The MLBV/MLICo. Guarantee has not been and will not be registered under the Securities Act.][71] The Issuer will offer and sell W&C Instruments within the United States or to, or for the account or benefit of, a U.S. person through BofA Securities, Inc. or one of its affiliates, which in each case is a U.S. registered broker dealer, in private transactions exclusively to persons reasonably believed to be qualified institutional buyers (each a "**QIB**") as defined in Rule 144A who are also each a qualified purchaser (each a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51)(A) of the 1940 Act, and the rules thereunder, and who, as a condition to purchasing the W&C Instruments will enter into and remain in compliance with an Investor Representation Letter for the benefit of BofA Securities, Inc., the Issuer [and Bank of America Corporation (the "**Guarantor**")][72] (together with their respective affiliates and any persons controlling, controlled by or under common control with BofA Securities, Inc., the Issuer [and the Guarantor]). The exercise of the W&C Instruments by, or for the account or benefit of, a U.S. person will be conditional upon such holder (and any person on whose behalf the holder is acting) being a QIB and a QP. See "Terms and Conditions of the W&C Instruments" and "Annex 11B - *Additional Terms and Conditions for Rule 144A W&C Instruments*" in the Offering Circular. Investors in the W&C Instruments will be deemed to have made or will be required to make certain representations and warranties in connection with purchasing the W&C Instruments. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" in the accompanying Offering Circular.

The Rule 144A W&C Instruments will be represented by a global warrant or certificate (a "**Rule 144A Global W&C Instrument**"), which will be deposited with Bank of America, N.A. (operating through its London Branch), as common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") or with the U.S. Certificate Agent or U.S. Warrant Agent, as applicable, as a custodian for The Depository Trust Company ("**DTC**"), and will be exchangeable for W&C Instruments in definitive registered form in the limited circumstances described in the Rule 144A Global W&C Instrument. Beneficial interests in the W&C Instruments will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream, Luxembourg or DTC, as the case may be. The English Law Agency Agreement (as defined in the Conditions) provides that it and the W&C Instruments will be governed by, and construed in accordance with English law. [The MLBV/MLICo. Guarantee is governed by, and construed in accordance with, the laws of the State of New York.]][73]

[The W&C Instruments[, the MLBV/MLICo. Guarantee] and, in certain cases, the Entitlement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under any U.S. state securities laws. The W&C Instruments [and the MLBV/MLICo. Guarantee] may not be offered, sold, resold, traded, transferred, pledged, delivered, exercised or redeemed, directly or indirectly, at any time within the United States, its territories, its possessions and other areas subject to

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69 Include where Instruments are marketed, offered or sold in or into Switzerland and in respect of Notes for which "Swiss Non-Exempt Public Offer" is specified as "No".

70 Include in the case of all W&C Instruments other than Secured W&C Instruments.

71 Include in the case of all Rule 144A W&C Instruments other than Secured W&C Instruments.

72 Include in the case of Rule 144A W&C Instruments other than Secured W&C Instruments.

73 Include in the case of Rule 144A W&C Instruments other than Regulation S/Rule 144A W&C Instruments.

its jurisdiction or to, or for the account or benefit of, any U.S. person (as defined by Regulation S under the Securities Act) (other than distributors).][74]

[The W&C Instruments will be eligible for sale concurrently (a) in the United States or to, or for the account or benefit of, U.S. persons (as defined herein), in either case to qualified institutional buyers (each, a "**QIB**") as defined in Rule 144A ("**Rule 144A**") of the Securities Act, as amended (the "**Securities Act**") who are also qualified purchasers (each, a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"), and the rules thereunder, and (b) outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act, in each case subject to the terms and conditions set forth herein and in the Conditions (described below) and the accompanying Offering Circular.

Such W&C Instruments will be represented by a global warrant or certificate (a "**Regulation S/Rule 144A Global W&C Instrument**") which will be deposited with Bank of America, N.A. (operating through its London Branch), as common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and will be exchangeable for W&C Instruments in definitive registered form in the limited circumstances described in the Regulation S/Rule 144A Global W&C Instrument. Beneficial interests in the W&C Instruments will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream, Luxembourg. The English Law Agency Agreement (as defined in the Conditions) provides that it and the W&C Instruments will be governed by, and construed in accordance with English law. [The MLBV/MLICo. Guarantee is governed by, and construed in accordance with, the laws of the State of New York.]

Each purchaser of W&C Instruments being offered within the United States or to, or for the account or benefit of, a U.S. person is hereby notified that the offer and sale of such W&C Instruments is being made in reliance upon an exemption from the registration requirements of the Securities Act pursuant to Rule 144A and the 1940 Act. [The MLBV/MLICo. Guarantee has not been and will not be registered under the Securities Act.][75] The Issuer will offer and sell W&C Instruments within the United States or to, or for the account or benefit of, a U.S. person through BofA Securities, Inc. or one of its affiliates, which in each case is a U.S. registered broker dealer, in private transactions exclusively to persons reasonably believed to be QIBs who are also each a QP, and who, as a condition to purchasing the W&C Instruments will enter into and remain in compliance with an Investor Representation Letter for the benefit of BofA Securities, Inc., the Issuer [and Bank of America Corporation (the "**Guarantor**")][76] (together with their respective affiliates and any persons controlling, controlled by or under common control with BofA Securities, Inc., the Issuer [and the Guarantor][77]). The exercise of the W&C Instruments by, or for the account or benefit of, a U.S. person will be conditional upon such holder (and any person on whose behalf the holder is acting) being a QIB and a QP. See "Terms and Conditions of the W&C Instruments" and "Annex 11B - *Additional Terms and Conditions for Rule 144A W&C Instruments*" in the Offering Circular. Investors in the W&C Instruments will be deemed to have made or will be required to make certain representations and warranties in connection with purchasing the W&C Instruments. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" in the accompanying Offering Circular.][78]

[The W&C Instruments are being offered by Merrill Lynch International ("**MLI**") or BofA Securities Europe SA ("**BofASE**") subject to prior sale, when, as and if delivered to and accepted by MLI or BofASE and to certain other conditions. W&C Instruments sold in the United States will be sold through BofA Securities, Inc., a registered broker-dealer. MLI or BofASE reserves the right to withdraw, cancel or modify such offer and to reject orders in whole or in part.

No person is authorised to give any information or to make any representation not contained in or not consistent with this document or any other information supplied in connection with the Programme or the W&C Instruments and, if given or made, such information or representation must not be relied upon

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[74] Include in the case of all W&C Instruments other than Rule 144A W&C Instruments and Regulation S/Rule 144A W&C Instruments.

[75] Include in the case of Regulation S/Rule 144A W&C Instruments other than Secured W&C Instruments.

[76] Include in the case of Regulation S/Rule 144A W&C Instruments other than Secured W&C Instruments.

[77] Include in the case of Regulation S/Rule 144A W&C Instruments other than Secured W&C Instruments.

[78] Include in the case of Regulation S/Rule 144A W&C Instruments.

as having been authorised by the Issuer, [the Guarantor,] the Principal Instrument Agent or any other person. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the W&C Instruments or the distribution of this document in any jurisdiction where any such action is required.

The delivery of these Final Terms and the Offering Circular does not at any time imply that the information contained herein or in the Offering Circular concerning the Issuer [and/or the Guarantor] is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme or the W&C Instruments is correct as of any time subsequent to the date indicated in the document containing the same. [None of][Neither] MLI[,] [nor] BofASE [and BofA Securities, Inc.] undertakes to review the financial condition or affairs of the Issuer [and/or the Guarantor] during the life of the Programme. Investors should review, *inter alia*, the most recently published annual financial statements, if any, of the Issuer [and the Guarantor] when deciding whether or not to purchase any W&C Instruments.

The W&C Instruments create options which are either exercisable by the relevant holder or which will be automatically exercised as provided herein. The W&C Instruments will be exercised or will be exercisable in the manner set forth herein and in the Offering Circular. The W&C Instruments are subject to restrictions on transfer. Holders of W&C Instruments may not transfer the W&C Instruments except as permitted under the Securities Act and applicable state securities laws and subject to the transfer restrictions set forth in the Offering Circular. Any transfer of a Rule 144A W&C Instrument in the United States or to, or for the account or benefit of, a U.S. person must be made to or through the Issuer or the Dealer to a person that is a QIB/QP that executes an Investor Representation Letter and otherwise in accordance with the applicable transfer restrictions set forth in the Offering Circular. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" in the Offering Circular.

Neither these Final Terms, the Offering Circular nor any other information supplied in connection with the Programme or any W&C Instruments (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, [the Guarantor,] MLI[,] [or] BofASE [or BofA Securities, Inc.] that any recipient of these Final Terms and the Offering Circular or any other information supplied in connection with the Programme or any W&C Instruments should purchase any W&C Instruments. Each investor contemplating purchasing any W&C Instruments should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer [and the Guarantor]. No representation is made to any offeree or purchaser of the W&C Instruments regarding the legality of an investment therein by such offeree or purchaser under any applicable legal investment or similar laws or regulations. The contents of these Final Terms and the Offering Circular are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her attorney or business and tax advisor as to legal, business and tax advice.

Each person receiving these Final Terms and the Offering Circular acknowledges that (i) such person has been afforded an opportunity to request from the Issuer [and the Guarantor] and to review all additional information concerning the Issuer [and the Guarantor] and the terms of the W&C Instruments that it considers to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) such person has not relied on the Initial Purchaser (as defined below) or any person affiliated with the Initial Purchaser in connection with its investigation of the accuracy of such information or its investment decision, (iii) none of the Issuer, the Guarantor and the Initial Purchaser has made any due diligence inquiry with respect to the Reference Item (if applicable) in connection with the offering of the W&C Instruments, (iv) the Issuer, the Guarantor and the Initial Purchaser and their affiliates may obtain material non-public information regarding the Reference Item (if applicable) or any affiliate of the Reference Item (if applicable), and none of the Issuer, the Guarantor, the Initial Purchaser and any such affiliate undertakes to disclose any such information to subsequent purchasers of W&C Instruments and (v) no person has been authorised to give any information or to make any representation concerning the Issuer, the Guarantor or the W&C Instruments other than as contained herein or in the Offering Circular and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, [the Guarantor] or the Initial Purchaser.][79]

[79] Include in the case of Rule 144A W&C Instruments or Regulation S/Rule 144A W&C Instruments.

[Each offeree is authorised to use these Final Terms and the Offering Circular solely for the purpose of considering the purchase of the W&C Instruments described herein. [The Issuer, the Guarantor and any of MLI[,] [or] BofASE [or BofA Securities, Inc.], as initial purchaser (the "**Initial Purchaser**"), reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the W&C Instruments.][80] These Final Terms and the Offering Circular are personal to the offeree to whom they have been delivered and do not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the W&C Instruments. Distribution of these Final Terms and the Offering Circular to any person other than the offeree and those persons, if any, retained to advise the offeree in connection with its purchase of the W&C Instruments is unauthorised, and any disclosure of any of their contents, without the prior written consent of the Issuer[,] [and] the Guarantor and the Initial Purchaser, is prohibited.][81]

[Nothing herein should be considered to impose on the recipient of these Final Terms any limitation on disclosure of the tax treatment or tax structure of the transactions or matters described herein.][82]

The Issuer [and the Guarantor] reserve[s] the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the W&C Instruments.

[AVAILABLE INFORMATION

In order to preserve the exemptions for permitted re-sales and transfers pursuant to Rule 144A, the Issuer [and the Guarantor] have agreed to furnish, upon the request of any holder of a Rule 144A W&C Instrument or of a beneficial interest therein, such information as is specified in paragraph (d)(4) of Rule 144A under the Securities Act to such holder or beneficial owner or to a prospective purchaser of such Rule 144A W&C Instrument in order to permit such holder or beneficial owner to comply with the requirements of Rule 144A in connection with the re-sale, unless, at the time of such request, the Issuer is subject to the reporting requirements of Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or is included in the list of foreign private issuers that claim exemption from the registration requirements of Section 12(g) of the Exchange Act (and therefore is required to furnish the U.S. Securities and Exchange Commission with certain information pursuant to Rule 12g3-2(b) under the Exchange Act). This information may be obtained during normal business hours on any weekday at the specified office of the applicable Instrument Agent.][83]

The purchase of W&C Instruments involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the W&C Instruments. Before making an investment decision, prospective purchasers of W&C Instruments should ensure that they understand the nature of the W&C Instruments and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in the Offering Circular (including the section headed "Risk Factors" thereof) and these Final Terms.

[For a description of the key features and mechanics of the Instrument, including loss potential, see also description of the instrument under the corresponding SSPA code in "*Annex 18: Swiss Product Description*" in the Offering Circular.][84]

[**Unregulated Instruments: The W&C Instruments do not constitute a participation in a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act and are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA.**

None of the W&C Instruments constitutes a participation in a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act. Therefore, none of the W&C Instruments is

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80 Include in the case of Rule 144A W&C Instruments or Regulation S/Rule 144A W&C Instruments.

81 Include in the case of Rule 144A W&C Instruments or Regulation S/Rule 144A W&C Instruments.

82 Include in the case of Rule 144A W&C Instruments or Regulation S/Rule 144A W&C Instruments.

83 Include in the case of Rule 144A W&C Instruments or Regulation S/Rule 144A W&C Instruments.

84 Include only for Swiss Non-Exempt Public Offers.

subject to approval, registration or supervision by the Swiss Financial Market Supervisory Authority FINMA or any other regulatory authority in Switzerland. Accordingly, potential purchasers do not have the benefit of the specific investor protection provided under the Swiss Collective Investment Schemes Act and are exposed to the credit risk of the Issuer and Guarantor.][85]

[*Insert any specific additional risk factors (relating only to the tranche of W&C Instruments documented by these Final Terms)*]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated 13 May 2022 (the "**Offering Circular**") as supplemented by the supplement(s) to the Offering Circular approved by the Luxembourg Stock Exchange from time to time, which are available at www.bourse.lu. This document constitutes the Final Terms of the W&C Instruments described herein and must be read in conjunction with the Offering Circular and any supplements thereto. Full information on the Issuer[, the Guarantor] and the offer of the W&C Instruments is only available on the basis of the combination of these Final Terms and the Offering Circular and any supplements thereto. The Offering Circular and the supplement(s) to the Offering Circular are available for viewing and can be obtained during normal business hours at the registered office of the relevant Dealer and at the specified office(s) of the applicable W&C Instrument Agent(s) and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under the Original Base Prospectus/Offering Circular (as defined below).*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the [Base Prospectus/Offering Circular] dated [15 September 2009] [22 June 2010] [22 June 2011] [24 May 2012] [9 January 2013] [15 November 2013] [12 November 2014] [11 November 2015] [10 May 2016] [24 January 2017] [19 May 2017] [18 May 2018] [16 May 2019] [14 May 2020] [14 May 2021] (the "**Original [Base Prospectus/Offering Circular]**") which are incorporated by reference in the Offering Circular dated 13 May 2022 (the "**Offering Circular**") as supplemented by the supplement(s) to the Offering Circular approved by the Luxembourg Stock Exchange from time to time, which are available at www.bourse.lu. This document constitutes the Final Terms of the W&C Instruments described herein and must be read in conjunction with the Offering Circular and any supplements thereto, including the Conditions incorporated by reference in the Offering Circular as supplemented. Full information on the Issuer, the Guarantor and the offer of the W&C Instruments is only available on the basis of the combination of these Final Terms and the Offering Circular and any supplements thereto (including those sections of the Original [Base Prospectus/Offering Circular] incorporated by reference therein). The Original [Base Prospectus/Offering Circular] and the Offering Circular and the supplement(s) to the Offering Circular are available for viewing and can be obtained during normal business hours at the registered office of the relevant Dealer and at the specified office(s) of the applicable W&C Instrument Agent(s) and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).]

References herein to numbered Conditions are to the "Terms and Conditions of the W&C Instruments" set forth in the [Offering Circular] [Original [Base Prospectus/Offering Circular]] and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms, save as where otherwise expressly provided. [References in the Offering Circular to "Instruments" and related references (including, but not limited to, "W&C Instruments" and "W&C Instrument Agents") shall, for the purposes of the issue of the W&C Instruments, save where the context otherwise requires, be deemed to be references to "Securities" (including "W&C Securities" and "Security Agents").]

Prospective investors should note that the "Terms and Conditions of the W&C Instruments" set out in the [Offering Circular] [Original [Base Prospectus/Offering Circular]] and any non-contractual obligations arising out of, or in connection with, the W&C Instruments are governed by, and construed in accordance with, English law [and the MLBV/MLICo. Guarantee is governed by, and construed in accordance with, the laws of the State of New York].

[85] Include in the case of W&C Instruments being marketed, offered or sold in or into Switzerland.

No person has been authorised to give any information or make any representation not contained in or not consistent with these Final Terms, or any other information supplied in connection with the W&C Instruments and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer[, the Guarantor] or any Dealer.

By investing in the W&C Instruments each investor represents that:

(a) *Non-Reliance. It is acting for its own account, and it has made its own independent decisions to invest in the W&C Instruments and as to whether the investment in the W&C Instruments is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer[, the Guarantor] or any Dealer as investment advice or as a recommendation to invest in the W&C Instruments, it being understood that information and explanations related to the "Terms and Conditions of the W&C Instruments" shall not be considered to be investment advice or a recommendation to invest in the W&C Instruments. No communication (written or oral) received from the Issuer[, the Guarantor] or any Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the W&C Instruments.*

(b) *Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms and conditions and the risks of the investment in the W&C Instruments. It is also capable of assuming, and assumes, the risks of the investment in the W&C Instruments.*

(c) *Status of Parties. None of the Issuer[, the Guarantor] and any Dealer is acting as fiduciary for or adviser to it in respect of the investment in the W&C Instruments.*

[These Final Terms shall also serve as a Confirmation by [*name of applicable permitted dealer in the United States*] pursuant to Rule 10b-10 of the U.S. Securities Exchange Act of 1934, as amended, and any other applicable rules and regulations.][86]

These Final Terms relate to the Series of W&C Instruments as set out in "Specific Provisions for each Series" below. References herein to "W&C Instruments" shall be deemed to be references to the relevant [Warrants/Certificates] that are the subject of these Final Terms and references to "W&C Instruments" and "W&C Instrument" shall be construed accordingly.

[*Include whichever of the following apply or specify as "Not Applicable" or delete any inapplicable provision*]

1. Issuer: [Merrill Lynch B.V.] [Merrill Lynch International & Co. C.V.]

2. Guarantor: [Bank of America Corporation] [Not Applicable]

SPECIFIC PROVISIONS FOR EACH SERIES

Series Number	**[Number] [Aggregate Notional Amount] of W&C Instruments issued**	**[No. of Warrants per Unit]**	**ISIN**	**[Common Code] [CUSIP]**	**[Wertpapier-kennummer (WKN) (German Security Code)]**	**[Mnemonic (*insert in the case of a listing on Euronext Paris S.A.*)]**	**Issue Price per [W&C Instrument/ Unit (*in the case of Warrants only*)]**
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

3. Consolidation: [Not Applicable] [The W&C Instruments are to be consolidated and form a single Series with the [*insert title of relevant series of W&C Instruments*] issued on [*insert issue date*]] (*N.B. Only applicable in relation to*

[86] Include in the case of Rule 144A W&C Instruments or Regulation S/Rule 144A W&C Instruments.

W&C Instruments which are fungible with an existing series of W&C Instruments)

4. Type of W&C Instruments:

(a) [Warrants] [Certificates]

(b) [Index Linked W&C Instruments]

[Share Linked W&C Instruments]

[GDR/ADR Linked W&C Instruments]

[FX Linked W&C Instruments]

[Commodity Linked W&C Instruments]

[Fund Linked W&C Instruments] [- applicable only for Index Linked W&C Instruments that are Physical Delivery W&C Instruments]

[Inflation Linked W&C Instruments]

[Long Credit Linked Certificates]

[Short Credit Linked Certificates]

[Long Credit Linked Warrants]

[Short Credit Linked Warrants]

[Saudi Share Linked Warrants]

[(*specify other type of W&C Instrument*)]

5. Trade Date: [●]

In respect of Rule 144A W&C Instruments and Regulation S/Rule 144A W&C Instruments only: [The time of the transaction by each initial purchaser is available upon written request to BofA Securities, Inc.]

6. Strike Date: [●] [*insert date(s) and relevant fallback provisions if appropriate*]

7. Issue Date: [●]

8. Exercise Date: [Not Applicable] [[●], provided that, if such date is not an Exercise Business Day,[87] the Exercise Date shall be the immediately [preceding] [succeeding] Exercise Business Day (the "**Scheduled Exercise Date**")] [,] [subject as provided in Credit Linked W&C Condition 4, [,/and] [Credit Linked W&C Condition 5 [and] Credit Linked W&C Condition 6 [and] [Credit Linked W&C Condition 9] (*include for Credit Linked W&C Instruments*)]]

(N.B. *Only applicable in relation to European Style Warrants and Certificates*)

[87] Exercise Business Day is only applicable to Warrants.

9.	Settlement Date:	[●] [In relation to each Actual Exercise Date,] (*N.B. Insert for American Style Warrants*) [The] [the] [fifth] Business Day following the Valuation Date [provided that if the occurrence of a Disrupted Day has resulted in the Valuation Date for one or more [Indices] [Shares] being adjusted as specified in the definition of "Valuation Date" set out in the [Index Linked Conditions] [Share Linked Conditions], the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to any [Index] [Share]] [The fifth Business Day following the last occurring Averaging Date [provided that if the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more [Indices] [Shares] being adjusted as specified in the definition of "Averaging Date" as specified in the [Index Linked Conditions] [Share Linked Conditions], the Settlement Date shall be the fifth Business Day next following the last occurring Averaging Date in relation to any [Index] [Share]] [The provisions of "Annex 12 – *Additional Terms and Conditions for Saudi Share Linked Warrants*" shall apply] [*other*] (*N.B. Only applicable in relation to Cash Settled W&C Instruments*). *For Low Exercise Price Warrants only*: [As specified in LEPW Condition 9] [insert other]
10.	[Number] [Aggregate Notional Amount] of W&C Instruments being issued:	The [number] [aggregate notional amount] of W&C Instruments being issued is set out in "Specific Provisions for each Series" above
11.	Issue Price:	[The issue price per [W&C Instrument] [Unit (*in relation to Warrants only*)] is set out in "Specific Provisions for each Series" above] [[●] per cent. of Aggregate Notional Amount]
12.	Cash Settlement Amount:	[*Insert details of how Cash Settlement Amount is to be calculated*] *For Saudi Share Linked Warrants only*: [The provisions of "Annex 12 – *Additional Terms and Conditions for Saudi Share Linked Warrants*" shall apply. The relevant Adjustment Factor is set out in "Specific Information relating to the Reference Item(s)" in paragraph 40 of these Final Terms] *For Low Exercise Price Warrants only*: [The provisions of "Annex 3 – *Additional Terms and Conditions for Low Exercise Price Warrants*" shall apply. The Cash Settlement Amount is specified in paragraph 39 of these Final Terms]
13.	Business Day Centre(s):	[●]
14.	Settlement:	[Cash Settled W&C Instruments] [and/or] [Physical Delivery W&C Instruments] (*N.B. Saudi Share Linked Warrants may only be Cash Settled*)
15.	Issuer's Option to Vary Settlement:	[Applicable] [Not Applicable]

16.	Settlement Currency:	[●]
17.	Exchange Rate:	The Exchange Rate for conversion of any amount into the Settlement Currency for the purposes of determining the Cash Settlement Amount is [●] [Not Applicable] *For Saudi Share Linked Warrants only*: [The provisions of "Annex 12 – *Additional Terms and Conditions for Saudi Share Linked Warrants*" shall apply] *For Low Exercise Price Warrants only*: [The provisions of "Annex 3 – *Additional Terms and Conditions for Low Exercise Price Warrants*" shall apply. The Exchange Rate is specified in paragraph 39 of these Final Terms]
18.	Calculation Agent:	[Merrill Lynch International] [BofA Securities Europe SA] [*specify other*]

PROVISIONS RELATING TO WARRANTS

19.	Type of Warrants:	[European Style] [American Style] [*other*] *If American Style is applicable*: [The Exercise Period in respect of the Warrants is from and including [●] to and including [●][, or if [●] is not an Exercise Business Day, the immediately succeeding Exercise Business Day]] *If American Style and LEPW Conditions are applicable*: [The Exercise Period in respect of the Warrants is specified in the LEPW Condition 8] [*insert other*]
20.	Units:	[Warrants must be exercised in Units. Each Unit consists of the number of Warrants set out in "Specific Provisions for each Series" above. (*N.B. This is in addition to any requirements relating to "Minimum Exercise Number" or "Maximum Exercise Number" set out below*)] [Not Applicable]
21.	Exercise Price:	The Exercise Price per [Warrant] [Unit] is [●]] [Not Applicable] (*N.B. This should, in the case of Index Linked Warrants, be expressed as a monetary value. Not applicable for Saudi Share Linked Warrants*)
22.	Automatic Exercise:	[Applicable] [Not Applicable]
23.	Minimum Exercise Number:	[The minimum number of Warrants that may be exercised on any day by any Holder is [●] [and Warrants may only be exercised in integral multiples of [●] Warrants in excess thereof]] [Not Applicable]
24.	Maximum Exercise Number:	[The maximum number of Warrants that may be exercised on any day by any Holder or group of Holders (whether or not acting in concert) is [●]] [Not Applicable] (*N.B. Not applicable for European Style Warrants*)
25.	Notional Amount per Warrant:	[●] [Not Applicable]

PROVISIONS RELATING TO CERTIFICATES

26.	Holder Put Option:		[Applicable] [Not Applicable]
	(a)	Holder Put Option Notice Period:	[As specified in Condition 31(E)] [*specify other*]
	(b)	Put Option Cash Settlement:	[Applicable] [Not Applicable]
	(c)	Put Option Cash Settlement Amount:	[*insert details*]
27.	Notional Amount per Certificate:		[●] [Not Applicable]

PROVISIONS RELATING TO W&C INSTRUMENTS

28.	Additional Amounts:		[Applicable] [Not Applicable] (*N.B. Additional Amounts are not applicable for W&C Instruments in respect of which the applicable Final Terms specify that "LEPW Conditions" shall be applicable*) *For Saudi Share Linked Warrants only (sub-paragraphs are not required for Saudi Share Linked Warrants)*: [Applicable. The provisions of "Annex 12 – *Additional Terms and Conditions for Saudi Share Linked Warrants*" shall apply] *For Share Linked Instruments in respect of which the applicable Final Terms specify that "Dividend Conditions" shall be applicable and that Share Linked Conditions 10 and 11 shall be applicable (sub-paragraphs are not required)*: [Applicable. Share Linked Conditions 10 and 11 shall apply.] *For Fund Linked Instruments in respect of which the applicable Final Terms specify that "Dividend Conditions" shall be applicable and that Fund Linked Conditions 14 and 15 shall be applicable (sub-paragraphs are not required)*: [Applicable. Fund Linked Conditions 14 and 15 shall apply.]
	(a)	Notional Amount per W&C Instrument:	[●]
	(b)	Additional Amount Payment Dates:	[●]
	(c)	Additional Amount Rate:	[●]
	(d)	Additional Amount Rate Day Count Fraction:	[Actual/360] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [30/360 (Floating)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis]

		[30E/360 (ISDA)]
	(e) Additional Amount Cut-Off Date:	[Exercise Date] [Settlement Date] [*specify other*]
	(f) Other terms or special conditions relating to Additional Amounts:	[●] [Not Applicable]
29.	Issuer Call Option:	[Applicable] [Not Applicable]
	(a) Issuer Call Option Notice Period:	*For Certificates only*: [As specified in Condition 31(C)] [*specify other*] *For Warrants only*: [As specified in Condition 24(D)] [*specify other*]
	(b) Call Option Date(s):	[*insert date(s)*]
	(c) Call Option Cash Settlement:	[Applicable] [Not Applicable]
	(d) Call Option Cash Settlement Amount:	[*insert details*]
30.	Mandatory Early Exercise:	[Applicable] [Not Applicable]
	(a) Mandatory early Exercise Event:	[●]
	(b) Mandatory Early Exercise Date:	[●]
	(c) Mandatory Early Exercise Cash Settlement:	[Applicable] [Not Applicable]
	(d) Mandatory Early Exercise Cash Settlement Amount:	[*insert details*]
	(e) Mandatory Early Exercise Cash Settlement Date:	[●]

PROVISIONS RELATING TO TYPE OF W&C INSTRUMENTS

31.	Index Linked Conditions:	[Applicable] [Not Applicable]
	(a) Index/Basket of Indices:	[The index] [Each of the indices] set out under the heading "Index" in "Specific Information relating to the Reference Item(s)" below ([the "**Index**"] [each, an "**Index**" and together the "**Indices**" or "**Basket of Indices**"])

SPECIFIC INFORMATION RELATING TO THE REFERENCE ITEM(S)

The terms "**Index**", "**Bloomberg Code**", "**Index Sponsor**", "**Type of Index**", "**Exchange**", "**Related Exchange**", "**Index Currency**" [, "**Weighting**"] and ["**Initial Level**"] (*insert additional columns as applicable*) applicable to [an] [the] Index shall have the corresponding meanings set forth against such Index in the table below:

Index	Bloomberg Code	Index Sponsor	Type of Index	Exchange	Related Exchange	Index Currency	[Weighting][88]	[Initial Level]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

(b) Index Performance: [●] [As specified in the Index Linked Conditions]

(c) Barrier Event (intraday): [Applicable] [Not Applicable]

Barrier Event Determination Day: [As specified in the Index Linked Conditions]

(d) Barrier Event (closing): [Applicable] [Not Applicable]

Barrier Event Determination Day: [Valuation Date]

[In respect of [the] [each] Index, each Scheduled Trading Day for such Index during [the] [each] Observation Period that is not a Disrupted Day for such Index]

[Each Common Scheduled Trading Day that is not a Disrupted Day for any Index in the Basket of Indices during [the] [each] Observation Period]

(e) Barrier Level: [●] [Not Applicable]

(f) Averaging: [Applicable] [Not Applicable]

(i) Averaging Date(s): [●]

(ii) Omission: [Applicable] [Not Applicable]

(iii) Postponement: [Applicable] [Not Applicable]

(iv) Modified Postponement: [Applicable] [Not Applicable]

(g) Valuation Date(s): [●]

(h) Valuation Time: [As specified in the Index Linked Conditions] [*specify other*]

(i) Observation Date(s): [●]

(j) Observation Period: [Applicable: [Extension] [No Extension]] [Not Applicable]

(i) Observation Period Start Date: [[●] ([Including] [Excluding])] [Not Applicable]

(ii) Observation Period End Date: [[●] ([Including] [Excluding])] [Not Applicable]

(k) Common Scheduled Trading Days: [Applicable. [Common] [Individual] Disrupted Days will apply] (*N.B. If Common Scheduled Trading Days are applicable, either Common or Individual Disrupted Days must be specified.*) [Not Applicable]

[88] May only be applicable in relation to Index Linked W&C Instruments relating to a Basket of Indices.

		(*N.B. Not applicable in respect of each Index to which futures price valuation applies*) (*N.B. May only be applicable in relation to Index Linked W&C Instruments relating to a Basket*)
(l)	Disrupted Day:	[If the Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant level or price will be calculated [*insert calculation method*]] [As specified in the Index Linked Conditions]
(m)	Additional Disruption Events:	The following Additional Disruption Events apply to the W&C Instruments: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [LEPW Non-compliance Event] (*N.B. Only applicable in relation to Index Linked W&C Instruments in respect of which LEPW Conditions apply*) [Regulatory Order] (*N.B. Only applicable in relation to Index Linked W&C Instruments in respect of which LEPW Conditions apply*) [For the purposes of LEPW Non-compliance Event and Regulatory Order, Relevant Jurisdiction means [the People's Republic of China] [Taiwan] [●]] (*N.B. Only applicable where LEPW Non-compliance Event and/or Regulatory Order shall apply*)
(n)	Additional Terms and Conditions for Index-Linked Futures Contracts:	[Not Applicable] [Applicable – the provisions set out in Annex 16 (*Additional Terms and Conditions for Index-Linked Futures Contracts*) will apply to the W&C Instruments and [the/each] Applicable Index]
	(i) Applicable Index:	[●]
	(ii) Applicable Delivery Month:	[●]
	(iii) Derivatives Exchange	[●]
	(iv) Final Level	[Final Settlement Price or Daily Settlement Price] / [Final Settlement Price] / [Daily Settlement Price]
(o)	Physical Settlement:	[Applicable] [Not Applicable]
	- Index-Related ETF:	[●] (*N.B. For each Index specify the ETF corresponding to such Index*) See paragraph [36] of these Final Terms
(p)	Other terms or special conditions:	[●] [Not Applicable]
32.	Share Linked Conditions:	[Applicable] [Not Applicable]

(a) Share(s)/Basket of Shares: [The] [Each of the] [ordinary shares] [depositary receipts] of the relevant Share Company set out under the heading "**Share Company**" in "Specific Information relating to the Reference Item(s)" below (each a "**Share**" and together, the "**Shares**" [or the "**Basket of Shares**"])

SPECIFIC INFORMATION RELATING TO THE REFERENCE ITEM(S)

The terms "**Share Company**", "**ISIN of Share**", "**Bloomberg Code**", "**Exchange**", "**Related Exchange**", "**Local Jurisdiction**" [, "**Weighting**"] and ["**Initial Price**"] (*insert additional columns as appropriate*) applicable to a Share shall have the corresponding meanings set forth against the relevant Share Company in the table below:

Share Company	**ISIN of Share**	**Bloomberg Code**	**Exchange**	**Related Exchange**	**Local Jurisdiction**	**[Weighting]**[89]	**[Initial Price]**
[●][90]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

(b) Share Performance: [●] [As specified in the Share Linked Conditions]

(c) Barrier Event (intraday): [Applicable] [Not Applicable]

Barrier Event Determination Day: [As specified in the Share Linked Conditions]

(d) Barrier Event (closing): [Applicable] [Not Applicable]

Barrier Event Determination Day: [Valuation Date]

[In respect of [the] [each] Share, each Scheduled Trading Day for [the] [each] Share during [the] [each] Observation Period that is not a Disrupted Day for such Share]

[Each Common Scheduled Trading Day that is not a Disrupted Day for any Share in the Basket of Shares during [the] [each] Observation Period]

(e) Barrier Level: [●] [Not Applicable]

(f) Averaging: [Applicable] [Not Applicable]

(i) Averaging Date(s): [●]

(ii) Omission: [Applicable] [Not Applicable]

(iii) Postponement: [Applicable] [Not Applicable]

(iv) Modified Postponement: [Applicable] [Not Applicable]

(g) Valuation Date(s): [●]

(h) Valuation Time: [As specified in the Share Linked Conditions] [*specify other*]

(i) Observation Date(s): [●]

89 May only be applicable in relation to Share Linked W&C Instruments relating to a Basket of Shares.

90 Warrants issued by MLBV must not reference the Shares of MLBV or any of its present or future subsidiaries.

(j)	Observation Period:	[Applicable: [Extension] [No Extension]] [Not Applicable]
	(i) Observation Period Start Date:	[[●] ([Including] [Excluding])] [Not Applicable]
	(ii) Observation Period End Date:	[[●] ([Including] [Excluding])] [Not Applicable]
(k)	Common Scheduled Trading Days:	[Applicable. [Common] [Individual] Disrupted Days will apply]] (*N.B. If Common Scheduled Trading Days are applicable, either Common or Individual Disrupted Days must be specified*) [Not Applicable] (*N.B. May only be applicable in relation to Share Linked W&C Instruments relating to a Basket*)
(l)	Disrupted Day:	[If the Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant level or price will be calculated [*insert calculation method*]] [As specified in the Share Linked Conditions]
(m)	Tender Offer:	[Applicable] [Not Applicable]
(n)	Announcement Event:	[Applicable] [Not Applicable]
(o)	Share Substitution:	[Applicable. Share Substitution Criteria are [insert details] [as specified in the Share Linked Conditions]] [Not Applicable]
(p)	Local Tax Adjustment:	[Not Applicable] [Applicable. Local Jurisdiction is set out in "Specific Information relating to the Reference Item(s)" above. [Where Local Jurisdiction is specified to be "United States" then this shall mean the United States of America's federal and/or state and/or local taxes and/or any political subdivision thereof]]
(q)	Additional Disruption Events:	The following Additional Disruption Events apply to the W&C Instruments: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Cost of Stock Borrow] [Initial Stock Loan Rate: [●]] [Insolvency Filing] [Loss of Stock Borrow] [Maximum Stock Loan Rate: [●]] [LEPW Non-compliance Event] (*N.B. Only applicable in relation to Share Linked W&C Instruments in respect of which LEPW Conditions apply*) [Regulatory Order] (*N.B. Only applicable in relation to Share Linked W&C Instruments in respect of which LEPW Conditions apply*)

			[China Connect Share Disqualification] (*N.B. Only applicable in relation to Share Linked W&C Instruments in respect of which LEPW Conditions and China Connect Share LEPW Conditions apply*) [China Connect Service Termination] (*N.B. Only applicable in relation to Share Linked W&C Instruments in respect of which LEPW Conditions and China Connect Share LEPW Conditions apply*)
	(r)	Dividend Conditions:	[Applicable] [Not Applicable] [Share Linked Condition[s] 10 [and 11] shall apply] Additional Amount Proportion: [100 per cent.] [●]
		Number of Shares per W&C Instrument:	[●]
	(s)	Other terms or special conditions:	[●] [Not Applicable]
33.	GDR/ADR Linked Conditions:		[Applicable] [Not Applicable] (*For GDR/ADR Linked W&C Instruments complete sections for Share Linked W&C Instruments (paragraph 32 above) (completed and amended as appropriate) and this section*)
	(a)	Partial Lookthrough:	[Applicable] [Not Applicable]
	(b)	Full Lookthrough:	[Applicable] [Not Applicable]
34.	FX Linked Conditions:		[Applicable] [Not Applicable]
	(a)	Base Currency/Subject Currency:	[●]
	(b)	Currency Price:	[As specified in the FX Linked Conditions] [*specify other*]
	(c)	FX Market Disruption Event(s):	(*N.B. Only complete if FX Trading Suspension or Limitation/Inconvertibility Event/Price Materiality Event/Non-Transferability Event and/or other disruption events should be included as FX Market Disruption Events*)
		(i) FX Trading Suspension or Limitation:	[Applicable] [Not Applicable]
		(ii) Inconvertibility Event:	[Applicable] [Not Applicable]
		(iii) Price Materiality Event:	[Applicable. Price Materiality Percentage: [●]] [Not Applicable]
		(iv) Non-Transferability Event:	[Applicable] [Not Applicable]
		(v) Other	[●]

(d)	Disruption Fallbacks:	(*Specify the applicable Disruption Fallbacks in the order that they will apply*) [Calculation Agent Determination] [Currency-Reference Dealers Reference Dealers: [four] [*specify other*] [EM Fallback Valuation Postponement] [EM Valuation Postponement] [Fallback Reference Price Fallback Reference Price: [●]] [Other Published Sources] [Postponement Maximum Days of Postponement: [●]] [*Other*]
(e)	FX Price Source(s):	[●]
(f)	Specified Financial Centre(s):	[●]
(g)	Averaging:	[●]
(h)	Valuation Date(s):	[●]
(i)	Valuation Time:	[●]
(j)	Weighting:	[Not Applicable] [The weighting to be applied to each item comprising the Basket to ascertain the Currency Price is [●]] (*N.B. Only applicable in relation to FX Linked W&C Instruments relating to a Basket*)
(k)	EM Currency Provisions:	[Applicable] [Not Applicable]
	(i) Unscheduled Holiday:	[Applicable. Maximum Days of Deferral: [●]] [Not Applicable]
	(ii) EM Valuation Postponement:	[Applicable. Maximum Days of EM Valuation Postponement: [●]]
	(iii) EM Fallback Valuation Postponement:	[Applicable. Fallback Maximum Period of Postponement: [As specified in the FX Linked Conditions] [*specify other*] [Not Applicable]
	(iv) Cumulative Events:	[Applicable. Maximum Days of Cumulative Postponement: [As specified in the FX Linked Conditions] [*specify other*] [Not Applicable]]
(l)	Successor Currency:	[Applicable] [Not Applicable] [Issue Date/*other*]
(m)	Rebasing:	[Applicable] [Not Applicable]
(n)	Additional Disruption Events:	[Not Applicable] [The following Additional Disruption Events apply to the W&C Instruments: [Change in Law] [Hedging Disruption]

			[Increased Cost of Hedging]]
	(o)	Other terms or special conditions:	[●] [Not Applicable]
35.	Commodity Linked Conditions:		[Applicable] [Not Applicable]
	(a)	Commodity/Basket of Commodities/Commodity Index/Basket of Commodity Indices:	[●]
	(b)	Commodity Reference Price:	[●]
	(c)	Price Source:	[●]
	(d)	Exchange:	[●]
	(e)	Delivery Date:	[●]
	(f)	Pricing Date:	[●]
	(g)	Common Pricing (Commodity Linked Condition 3(a)):	[Applicable] [Not Applicable] (*N.B. Only applicable in relation to Commodity Linked W&C Instruments relating to a Basket of Commodities or Basket of Commodity Indices*)
	(h)	Additional Commodity Market Disruption Events:	[*Specify any additional Commodity Market Disruption Events*]
	(i)	Disruption Fallback(s):	[As specified in the Commodity Linked Conditions]/[*specify other*] [Fallback Reference Price: alternate Commodity Reference Price – [●]] [Commodity Cut-Off Date: [●]] [Commodity Index Cut-Off Date: [●]]
	(j)	Additional Disruption Events in respect of a Commodity Index:	[Not Applicable] [The following Additional Disruption Events apply to the W&C Instruments in respect of a Commodity Index: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]]
	(k)	Commodity Business Day:	[In respect of [the] [each] Commodity as specified in the Commodity Linked Conditions] [In respect of [the] [each] Commodity Index [●] [*If Commodity Index linked, the Commodity Business Day should mirror the definition of Business Day as used in the Commodity Index*]
	(l)	Weighting:	[Not Applicable] [The weighting to be applied to each item comprising the Basket is [●]] (*N.B. Only applicable in relation to Commodity Linked W&C Instruments relating to a Basket*)

(m) Specified Price: [high price]
[low price]
[average of the high price and the low price]
[closing price]
[opening price]
[bid price]
[asked price]
[average of the bid price and the asked price]
[settlement price]
[official settlement price]
[official price]
[morning fixing]
[afternoon fixing]
[spot price]
[*specify other*]

(n) Other terms or special conditions: [●] [Not Applicable]

[*If Commodity Index linked, ensure that Market Disruption Event covers disruptions on any underlying sub-indices*]

36. Fund Linked Conditions: [Applicable] [Not Applicable] [Applicable only for Index Linked W&C Instruments that are Physical Delivery W&C Instruments]

(a) Fund/Basket of Funds: [●]

[[The [●] Fund is an ETF]

[Exchange for each Fund Share: [●]]

[Related Exchange for each Fund Share: [●] [All Exchanges]]

[Underlying Index: [●]]

(*N.B. Include for Exchange Traded Funds (ETFs)*)

[The Fund Share set out under the heading "ETF" in "Specific Information relating to the Reference Item(s)" below.]

SPECIFIC INFORMATION RELATING TO THE REFERENCE ITEM(S)

The terms "**[Fund]**", "**[ETF]** ", "**ISIN Code**", "**Bloomberg Code**", "**Underlying Index**", "**Exchange**" "**Related Exchange**" and "**Initial Price**" (*insert additional columns as appropriate*) applicable to the ETF shall be the corresponding terms set forth against the ETF in the same row in the table below.

[Fund] [ETF]	ISIN Code	Bloomberg Code	Underlying Index	Exchange	Related Exchange	Initial Price
[●]	[●]	[●]	[●]	[●]	[●]	[●]

(b) Fund Interest(s): [●]

(c) Fund Performance: [●] [As specified in the Fund Linked Conditions]

(d) Weighting: [Not Applicable] [The weighting to be applied to each Fund comprising the Basket of Funds [●]] (*N.B. only applicable in relation to Fund Linked Notes relating to a Basket of Funds)*]

(e)	Barrier Event (intraday):	[Applicable] [Not Applicable]
	Barrier Event Determination Day:	[As specified in the Fund Linked Conditions]
(f)	Barrier Event (closing):	[Applicable] [Not Applicable]
	Barrier Event Determination Day:	[Valuation Date] [In respect of [the] [each] Fund Share, each Scheduled Trading Day for such Fund Share during each Observation Period that is not a Disrupted Day for such Fund Share] [Each Common Scheduled Trading Day that is not a Disrupted Day for any Fund in the Basket of Funds during [the] [each] Observation Period]
(g)	Barrier Level:	[●] [Not Applicable]
(h)	Averaging:	[Applicable] [Not Applicable]
	(i) Averaging Dates:	[*insert dates*]
	(ii) Omission:	[Applicable] [Not Applicable] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
	(iii) Postponement:	[Applicable] [Not Applicable] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
	(iv) Modified Postponement:	[Applicable] [Not Applicable] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
(i)	Valuation Date(s):	[●]
(j)	Valuation Time:	[As specified in the Fund Linked Conditions] [*specify other*] (*N.B. May only be applicable in relation to Exchange Traded Funds (ETFs)*)
(k)	Observation Date(s):	[●]
(l)	Observation Period:	[Applicable: [Extension] [No Extension]] [Not Applicable]
	(i) Observation Period Start Date:	[[●] ([Including] [Excluding])] [Not Applicable]
	(ii) Observation Period End Date:	[[●] ([Including] [Excluding])] [Not Applicable]
(m)	Common Scheduled Trading Days:	[Applicable. [Common] [Individual] Disrupted Days will apply] (*N.B. If Common Scheduled Trading Days are applicable, either Common or Individual Disrupted Days must be specified*) [Not Applicable] (*N.B. May only be applicable in relation to Fund Linked W&C Instruments relating to a Basket of Funds*)

	(n)	Additional Disruption Events:	[Not Applicable] [The following Additional Disruption Events apply to the W&C Instruments: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]]
	(o)	Dividend Conditions:	[Applicable] [Not Applicable] [Fund Linked Condition[s] 14 [and 15] shall apply] Additional Amount Proportion: [100 per cent.] [●]
		Number of Fund Shares per W&C Instrument:	[●]
	(p)	Other terms or special conditions:	[Merger Event: Merger Date on or before [the Valuation Date] [*other*]] [Not Applicable]
37.	Inflation Linked Conditions:		[Applicable] [Not Applicable]
	(a)	Inflation Index/Basket of Inflation Indices/Inflation Index Sponsor(s):	[●] Inflation Index Sponsor: [●]
	(b)	Related Bond:	[Applicable] [Not Applicable] The Related Bond is: [●] [Fallback Bond] [Fallback Bond: [Applicable] [Not Applicable]] The End Date is: [●]
	(c)	Determination Date(s):	[●]
	(d)	Cut-Off Date:	[●]
	(e)	Other terms or special conditions:	[●] [Not Applicable]
38.	Credit Linked W&C Instruments:		[Applicable] [Not Applicable] [The provisions of "Annex 9B – *Additional Terms and Conditions for Credit Linked W&C Instruments*" shall apply]
	(a)	Notional Amount per W&C Instrument:	[●]
	(b)	Aggregate Notional Amount of the W&C Instruments:	[●]
	(c)	Credit Observation Start Date:	[●] [Not Applicable]
	(d)	Scheduled Exercise Date:	[●]
	(e)	Long/Short Exercise Date:	[15 Business Days] [*specify other*]

(f)	Accrual of Additional Amounts upon Credit Event:	[Applicable] [Not Applicable]
(g)	Calculation Agent Determination:	[Applicable] [Not Applicable]
(h)	Credit Event Backstop Date:	[[Not] [subject to adjustment for non-Business Days in accordance with the Business Day Convention]
(i)	Reference Entity(ies):	[●] Transaction Type: [●] Financial Reference Entity Terms: [Applicable] [Not Applicable]
(j)	Reference Obligation(s):	
	[Standard Reference Obligation:	[Applicable] [Not Applicable]
	[Seniority Level:	[Senior Level] [Subordinated Level]] (*Include details of Reference Obligation(s) if Standard Reference Obligation does not apply*)
	[The obligation[s] identified as follows:	[●]
	Primary Obligor:	[●]
	Guarantor:	[●]
	Maturity:	[●]
	Coupon:	[●]
	CUSIP/ISIN:	[●]
	Listing venue:	[●]]
(k)	Party responsible for making calculations and determinations pursuant to the Credit Linked W&C Conditions (if not Calculation Agent):	[●]
(l)	All Guarantees:	[Applicable] [Not Applicable]
(m)	Credit Events:	[As set forth in the Physical Settlement Matrix for the Transaction Type]/[Bankruptcy] [Failure to Pay] Payment Requirement: [●] [Grace Period Extension [Applicable] [Not Applicable] [If Applicable:

		Grace Period: [●]]
		[Obligation Default]
		[Obligation Acceleration]
		[Repudiation/Moratorium]
		[Restructuring
		Mod R: [Applicable] [Not Applicable]
		Mod Mod R: [Applicable] [Not Applicable]]
		[Governmental Intervention]
		Default Requirement: [●]
		- Provisions relating to Credit Event Notice after M(M)R Restructuring Credit Event: Credit Linked W&C Condition 11 [Applicable] [Not Applicable]
		- Provisions relating to Multiple Holder Obligation: Credit Linked W&C Condition 12 [Applicable] [Not Applicable]
		[*Specify other*]
(n)	Nth-to-Default Instruments:	[Applicable] [Not Applicable]
	Substitution:	[Applicable] [Not Applicable]
	N:	[●]
	Credit Spread Requirement:	[●] (*N.B. if Substitution applicable*)
(o)	Notice of Publicly Available Information:	[Applicable] [Not Applicable]
		[*If Applicable:*
		Public Source(s): [●]
		Specified Number: [●]
		Notice Delivery Period: [●] Business Days
(p)	Obligation(s):	
	Obligation Category:	[As set out in the Physical Settlement Matrix for the Transaction Type] [Payment]
	[*select one only*]:	[Borrowed Money]
		[Reference Obligation Only]
		[Bond]
		[Loan]

		[Bond or Loan]
	Obligation Characteristics:	[As set out in the Physical Settlement Matrix for the Transaction Type] [Not Subordinated]
	[*select all of which apply*]:	[Specified Currency: [*specify currency*]]
		[Standard Specified Currency]
		[Not Sovereign Lender]
		[Not Domestic Currency]
		[Domestic Currency means: [*specify currency*]]
		[Not Domestic Law]
		[Domestic Law means: [*specify law*]]
		[Listed]
		[Not Domestic Issuance]
	Additional Obligation(s):	[●]
(q)	Excluded Obligation(s):	[●]
(r)	Redemption following Merger Event:	Credit Linked W&C Condition 10 [Applicable] [Not Applicable]
		(*If Applicable*)
		[Merger Event Redemption Amount: [●]]
		[Merger Event Redemption Date: [●]]
(s)	Unwind Costs:	[Standard Unwind Costs] [*specify other*] [Not Applicable]
(t)	Provisions relating to Monoline Insurer as Reference Entity:	Credit Linked W&C Condition 14 [Applicable] [Not Applicable]
(u)	Provisions relating to LPN Reference Entities:	Credit Linked W&C Condition 15 [Applicable] [Not Applicable]
(v)	Settlement Method:	[Cash Settlement] [Physical Settlement] [91] [Auction Settlement]
(w)	Fallback Settlement Method:	[Cash Settlement] [Physical Settlement][92]
	Terms relating to Cash Settlement	
(x)	Credit Event Redemption Amount:	[[●] per W&C Instrument] [As specified in the Credit Linked W&C Conditions]

[91] Long Credit Linked W&C Instruments only.

[92] Long Credit Linked W&C Instruments only.

(y)	Credit Event Redemption Date:	[●] Business Days
(z)	Valuation Date:	[Single Valuation Date: [●] Business Days] [Multiple Valuation Dates: [●] Business Days; and each [●] Business Days thereafter Number of Valuation Dates: [●]]
(aa)	Valuation Time:	[●]
(bb)	Quotation Method:	[Bid] [Offer] [Mid-market]
(cc)	Quotation Amount:	[●] [Representative Amount]
(dd)	Minimum Quotation Amount:	[●]
(ee)	Quotation Dealers:	[●]
(ff)	Quotations:	[Include Accrued Interest] [Exclude Accrued Interest]
(gg)	Valuation Method:	[Market] [Highest] [Average Market] [Highest] [Average Highest] [Blended Market] [Blended Highest] [Average Blended Market] [Average Blended Highest]
(hh)	Provisions relating to Deliverable Obligations Portfolio Valuation:	Credit Linked W&C Condition 16 [Applicable] [Not Applicable] [If Applicable: Benchmark Obligation: [Reference Obligation] [Other] (*N.B. Deliverable Obligation Category and Deliverable Obligation Characteristics should also be completed if Credit Linked W&C Condition 16 applies*)]
Terms relating to Auction Settlement		
(ii)	Auction Settlement Amount:	[●]
(jj)	Auction Settlement Date:	[Five Business Days] [*Specify other*]
(kk)	Other terms or special conditions:	[●] [Not Applicable]
Terms relating to Physical Settlement		(*N.B. include if Physical Settlement is the Settlement Method or the Fullback Settlement Method*)
(ll)	Physical Settlement Period:	[●] Business Days

(mm)	Accrued Interest on Entitlement:	[Include Accrued Interest] [Exclude Accrued Interest]
(nn)	Settlement Currency:	[●]
(oo)	Deliverable Obligations:	
	Deliverable Obligation Category	[As set out in the Physical Settlement Matrix for the Transaction Type] [Payment]
	[*select one only*]:	[Borrowed Money] [Reference Obligation Only] [Bond] [Loan] [Bond or Loan]
	Deliverable Obligation Characteristics	[As set out in the Physical Settlement Matrix for the Transaction Type] [Not Subordinated]
	[*select all of which apply*]:	[Specified Currency: [*specify currency*]] [Standard Specified Currency] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means: [*specify currency*]] [Not Domestic Law] [Domestic Law means: [*specify law*]] [Listed] [Not Subordinated] [Not Domestic Issuance] [Assignable Loan] [Consent Required Loan] [Direct Loan Participation] [Qualifying Participation Seller: Applicable] [Not Applicable [*insert requirements*]] [Transferable] [Maximum Maturity: [●]] [Accelerated or Matured] [Not Bearer]
	Additional Deliverable Obligation(s):	[●]

(pp)	Excluded Deliverable Obligation(s):	[●]
(qq)	Indicative Quotations:	[Applicable] [Not Applicable]
(rr)	Credit Cut-Off Date:	[●]
(ss)	Additional Disruption Events:	[Not Applicable] [The following Additional Disruption Events will apply to the W&C Instruments: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]]
(tt)	Subordinated European Insurance Terms:	[Applicable] [Not Applicable]
(uu)	CoCo Provisions:	Credit Linked W&C Condition 18 [Applicable] [Not Applicable] [*If Applicable*: Trigger Percentage: [As specified in Credit Linked W&C Condition 18] [●]]
(vv)	Sovereign No Asset Package Delivery:	Credit Linked W&C Condition 19 [Applicable] [Not Applicable]
(ww)	Additional Provisions for the Argentine Republic	Credit Linked W&C Condition 20 [Applicable] [Not Applicable]
(xx)	Other terms or special conditions:	[●] [Not Applicable]

39.	LEPW Conditions:		[Applicable] [Not Applicable]
(a)	Cash Settlement Amount:		[The provisions of Annex 3 - *Additional Terms and Conditions for Low Exercise Price Warrants* shall apply] **[●]**
	(i)	Out-performance:	[Applicable. Out-performance 1] [Applicable. Out-performance 2] [Not Applicable] [*if not applicable, then may delete the following sub-paragraphs*]
		[- Rate:]	[[●]] [Not Applicable] (*N.B. If Out-performance is applicable, insert this sub-paragraph*)
	(ii)	Non Out-performance:	[Applicable] [Not Applicable] [*if not applicable, then may delete the following sub-paragraphs*]
		[- Multiplier:]	[[●]] [Not Applicable] (*N.B. If Non Out-performance is applicable, insert this sub-paragraph*)
	(iii)	Settlement Price:	[Settlement Price (Effective Price 1)] [Settlement Price (Effective Price 2)] [Settlement Price (Index Closing Level)] [Settlement Price (Share Closing Price 1)]

		[Settlement Price (Share Closing Price 2)]
(b)	Exchange Rate:	[●] [Applicable: [Exchange Rate 1] [Exchange Rate 2] [Exchange Rate 3]] [Not Applicable] (*N.B. insert the following sub-paragraphs if Exchange Rate 2 is applicable*)
	[(A) Specified Rate:]	[The [spot rate of exchange] [bid rate of exchange] [mid rate of exchange] [offer rate of exchange]] [●]
	[(B) FX Price Source:]	[●]
	[(C) FX Valuation Time:]	[●]
(c)	Local Currency:	[[●]] [Not Applicable]
(d)	Additional Amount:	[●] [As defined in LEPW Condition 2] [Not Applicable] (*N.B. Not Applicable for Index Linked W&C Instruments*)
(e)	Additional Amount Payment Date(s):	[As specified in LEPW Condition 2] [*insert other*] [Not Applicable] (*N.B. Not Applicable for Index Linked W&C Instruments*)
(f)	Dividend Taxes (PRC) Deduction:	[Applicable][Not Applicable] (*N.B. Not Applicable for Index Linked W&C Instruments*)
(g)	Number of Shares per Warrant:	[●] [Not Applicable] (*N.B. Not Applicable for Index Linked W&C Instruments*)
(h)	Pre-IPO Share:	[Applicable] [Not Applicable]
(i)	Ratio:	[[●]] [Not Applicable] (*N.B. Not Applicable for Index Linked W&C Instruments*)
(j)	Original Scheduled Expiration Date:	[●]
(k)	Scheduled Expiration Date:	[The Original Scheduled Expiration Date] [●] (*N.B. Where applicable, specify such later date pursuant to the definition of Scheduled Expiration Date in LEPW Condition 2*)
(l)	Scheduled Expiration Cut-Off Date:	[●]
(m)	Special Conditions for Potential Adjustment Events (*LEPW Condition* 5(g)):	[Applicable] [Not Applicable] (*N.B. Not Applicable for Index Linked W&C Instruments*)
(n)	Change in Law Amendment (*LEPW Condition* 6(a)):	[Applicable] [Not Applicable]
(o)	Deduction of Cost and Taxes (*LEPW Condition* 7):	[Applicable] [Not Applicable]
(p)	Exercise Period Start Date (*LEPW Condition* 8):	[Tranche 1 Issue Date: [●]] [●] [Listing Date]

(q)	Scheduled Settlement Date (*LEPW Condition* 9):	[●] [Scheduled Settlement Date is Business Day Adjusted]
	(i) Number of Settlement Business Days:	[[●] Business Days] [As specified in the LEPW Conditions]
	(ii) Settlement Business Day Convention:	[Following Business Day Convention] [Modified Following Business Day Convention] [Nearest] [Preceding Business Day Convention]
(r)	China Connect Share LEPW Conditions (*LEPW Conditions* 10 to 14):	[Applicable] [Not Applicable] [*if not applicable, then may delete the following sub-paragraphs*]
	[- ChiNext Share:]	[Applicable] [Not Applicable]
	[- STAR Market Share:]	[Applicable] [Not Applicable]
(s)	Other terms or special conditions:	[●] [Not Applicable]

40.	Saudi Share Linked Warrant Conditions:	[Applicable] [Not Applicable]
	(a) Share(s)/Basket of Shares:	[Each of the ordinary shares of the relevant Share Company set out under the heading "**Share Company**" in "Specific Information relating to the Reference Item(s)" below (each a "**Share**" and together, the "**Shares**" [or the "**Basket of Shares**"])

SPECIFIC INFORMATION RELATING TO THE REFERENCE ITEM(S)

The terms "**Share Company**", "**Adjustment Factor**", "**ISIN of Share**", "**Weighting**" and "**Bloomberg Code**" applicable to the Share shall have the meaning set forth against the relevant Share Company in the table below.

Series Number	Share Company	Adjustment Factor	ISIN of Share	Weighting	Bloomberg Code
[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]

(b)	Exchange(s):	[●] [Saudi Stock Exchange (*Tadawul*)]
(c)	Related Exchange:	[●] [All Exchanges]
(d)	Valuation Date:	[●] [Common Scheduled Trading Days: [Applicable] [Not Applicable]] (*N.B. May only be applicable in relation to Share Linked W&C Instruments relating to a Basket*)
(e)	Tender Offer:	[Applicable] [Not Applicable]
(f)	Share Substitution:	[Applicable. Share Substitution Criteria are [specified in Share Linked Condition 6] [specify other]] [Not Applicable]
(g)	Additional Disruption Events:	The following Additional Disruption Events apply to the W&C Instruments (in addition to Jurisdiction Event and Trading Failure as set out in the provisions of "Annex 12

– *Additional Terms and Conditions for Saudi Share Linked Warrants*"):

[Change in Law]
[Hedging Disruption]
[Increased Cost of Hedging]
[Insolvency Filing]

(h) Other terms or special conditions: [●] [Not Applicable]

PROVISIONS RELATING TO SECURED W&C INSTRUMENTS

41. Secured Static/Floating Instruments Conditions: [Applicable in accordance with Annex 13] [Not applicable]

(*If not applicable, delete the remaining provisions of this section*).

(a) Eligible Static Collateral Assets: [Single Eligible Debt Security] / [Basket of Eligible Debt Securities]

(*Insert the following sub-paragraphs if Single Eligible Debt Security is specified*)

[- Relevant Static Collateral ISIN: [●]

- Debt Security Issuer: [●]]

(*Insert the following table if a Basket of Eligible Debt Securities is specified*)

Eligible Static Collateral Assets Table		
Debt Security Issuer(s)	**Relevant Static Collateral ISIN**	**Eligible Debt Security Weighting**
[●]	[●]	[●]%

[*Repeat rows as necessary*]

(b) Collateral Valuation Currency: [*specify*]

(c) MTM Collateral Specified Percentage: [*specify*]

(d) Order of Priority: [Standard Order of Priority as defined in Annex 13] [(a),[*specify alternative order of sub-paragraphs (b) – (e) as needed*]].

(e) Physical Delivery of Static Collateral Assets: [Applicable] [Not Applicable]

(*N.B. In respect of any Secured W&C Instruments which are Rule 144A W&C Instruments, Physical Delivery of Static Collateral Assets shall not apply*)

(f) Eligibility Criteria: [Applicable. Only Initial MTM Collateral Assets are Eligible is applicable] [Applicable. In respect of each Eligible MTM Collateral Class, as specified in the relevant row of the MTM Collateral Assets Table below:]

MTM COLLATERAL ASSETS TABLE	
Eligible MTM Collateral Class	**Margin Percentage**
[●]	[●]

[*Repeat rows as necessary*]

(g) Static Collateral Specified Percentage: [*specify*]

(h) Collateral Trigger Event: [Applicable] [Not Applicable]

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

[For the purposes of the definition of "Collateral Trigger Event" in Secured Static/Floating Instruments Condition 9.2, ["less than the Collateral Trigger Level"/"less than or equal to the Collateral Trigger Level"] is applicable.]

(i) Collateral Trigger Level: [*specify*]

(ii) Collateral Trigger Observation Day: [As specified in Secured Static/Floating Instruments Condition 9.2] / [*specify other*]

- Specified Business Hours: [As specified in Secured Static/Floating Instruments Condition 9.2] / [*specify other*]

(iii) Collateral Trigger Observation Period: [*specify*]

(iv) Relevant Screen Page: [*specify*]

42. Secured Fully Floating Instruments Conditions: [Applicable in accordance with Annex 14] [Not applicable]

(*If not applicable, delete the remaining provisions of this section*).

(a) Collateral Valuation at Nominal Value: [Applicable] [Not Applicable]

(b) Collateral Valuation Currency: [*specify*]

(c) Collateralisation Percentage: [*specify*]

(d) Order of Priority: [Standard Order of Priority as defined in Annex 14] [(a),[specify alternative order of sub-paragraphs (b) – (e) as needed]].

(e) Physical Delivery of Collateral Assets: [Applicable] [Not Applicable]

(*N.B. In respect of any Secured W&C Instruments which are Rule 144A W&C Instruments, Physical Delivery of Collateral Assets shall not apply*)

(f) Eligibility Criteria: [Applicable. Only Initial Collateral Assets are Eligible] [Applicable. In respect of each Eligible Collateral Class,

as specified in the relevant row of the Collateral Assets Table below:]

COLLATERAL ASSETS TABLE		
Eligible Collateral Class	**Margin Percentage**	**[Concentration Limit]**
[●]	[●]	

[*Repeat rows as necessary*]

(g) Type of Collateralisation: [MV Collateralisation] [NV Collateralisation] [Min (MV, NV) Collateralisation] [Max (MV, NV) Collateralisation]

(h) MTM Trigger Event: [Applicable] [Not Applicable]

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

[For the purposes of the definition of "MTM Trigger Event" in Secured Fully Floating Instruments Condition 9.2, ["less than the MTM Trigger Level"/"less than or equal to the MTM Trigger Level"] is applicable.]

(i) MTM Trigger Level: [*specify*]

(ii) MTM Trigger Observation Day: [As specified in Secured Fully Floating Instruments Condition 9.2] / [*specify other*]

Specified Business Hours: [As specified in Secured Fully Floating Instruments Condition 9.2] / [*specify other*]

(iii) MTM Trigger Observation Period: [*specify*]

PROVISIONS FOR PHYSICAL DELIVERY

43. Relevant Asset(s): [●] (*N.B. For Index Linked W&C Instruments that are Physical Delivery W&C Instruments, specify the Index-Related ETF corresponding to such Index or Worst Performing Index}*

44. Entitlement: The Entitlement (as defined in Condition 4) in relation to each W&C Instrument is [●]

[The Entitlement will be evidenced and delivered in accordance with [Condition 25(C)(b) (for Warrants)] [Condition 31(A) (*for Certificates*)] [*Specify other*]]

(*N.B. paragraphs 43 - 44 only applicable in relation to Physical Delivery W&C Instruments that are not Credit Linked W&C Instruments*)

45. Guaranteed Cash Settlement Amount: [The Guaranteed Cash Settlement Amount is calculated [as specified in Condition 3] [as specified in Credit Linked W&C Condition 5] [*specify other calculation method*]]

46. Failure to Deliver due to Illiquidity: [Applicable] [Not Applicable]

(*N.B. May only be applicable to Physical Delivery W&C Instruments other than Credit Linked W&C Instruments*)

GENERAL

47.	Form of W&C Instruments:	[The W&C Instruments are to be issued into and transferred through Euroclear and Clearstream, Luxembourg] [Euroclear/CBL Global Registered Certificate exchangeable for Definitive Registered Certificates in the limited circumstances described in the Euroclear/CBL Global Registered Certificate] [The Certificates are eligible for sale in the United States to QIBs who are also QPs or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs] [Regulation S/Rule 144A Global Certificate in registered form exchangeable for Definitive Registered Certificates in the limited circumstances described in the Regulation S/Rule 144A Global Certificate] [Rule 144A Global Certificate in registered form exchangeable for Definitive Registered Certificates in the limited circumstances described in the Rule 144A Global Certificate] [The provisions of "Annex 11B – *Additional Terms and Conditions for Rule 144A W&C Instruments*" shall apply] ***OR*** [Euroclear/CBL Global Registered Warrant exchangeable for Definitive Registered Warrants in the limited circumstances described in the Euroclear/CBL Global Registered Warrant] [The Warrants are eligible for sale in the United States to QIBs who are also QPs or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs] [Regulation S/Rule 144A Global Warrant in registered form exchangeable for Definitive Registered Warrants in the limited circumstances described in the Regulation S/Rule 144A Global Warrant] [Rule 144A Global Warrant in registered form exchangeable for Definitive Registered Warrants in the limited circumstances described in the Rule 144A Global Warrant] [The provisions of "Annex 11B – *Additional Terms and Conditions for Rule 144A W&C Instruments*" shall apply]
48.	Eligibility for sale in the United States to QIBs who are also QPs or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs:	The W&C Instruments are [not] eligible for sale in the United States to QIBs who are also QPs, or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs. [*Where Rule 144A Certificates are eligible for sale (a) in the United States to QIBs who are also QPs, or (b) to,*

or for the account or benefit of, U.S. persons who are QIBs and also QPs, include the following:

(a) [the Rule 144A Global Certificate will be held with [the U.S. Certificate Agent as custodian for DTC] [the Common Depositary]]/[the Regulation S/Rule 144A Global Certificate will be held with the Common Depositary];

(b) the Certificates [may] [may not] be sold concurrently outside the United States to non-U.S. persons [(such Certificates to be represented by a Regulation S/Rule 144A Global Certificate and deposited with the Common Depositary)];

(c) any resale or other transfer of any beneficial interest in the Notes represented by the [Rule 144A Global Certificate] [Regulation S/Rule 144A Global Certificate] in the United States or to, or for the account or benefit of, a U.S. person may only be effected to or through the Issuer or the Dealer if such person is a QIB/QP that executes and delivers an Investor Representation Letter for the benefit of the Dealer, the Issuer and the Guarantor (if applicable) (together with their respective affiliates and any persons controlling, controlled by or under common control with such Dealer, Issuer or Guarantor (if applicable)) and subject to the satisfaction of certain other conditions for such Certificates. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" in the Offering Circular;

(d) [*insert applicable U.S. selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in the Terms and Conditions*]; and

(e) [*specify any amendments to the form of Collection Notice (the form of which is set out in a schedule to the English Law Agency Agreement)*].

[*Where Rule 144A Warrants are eligible for sale (a) in the United States to QIBs who are also QPs, or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs, include the following*:

(f) [the Rule 144A Global Warrant will be held with [the U.S. Warrant Agent as custodian for DTC] [the Common Depositary]]/[the Regulation S/Rule 144A Global Warrant will be held with the Common Depositary];

(g) the Warrants [may] [may not] be sold concurrently outside the United States to non-U.S. persons [(such Warrants to be represented

by a Regulation S/Rule 144A Global Warrant and deposited with the Common Depositary)];

(h) any resale or other transfer of any beneficial interest in the Warrants represented by the [Rule 144A Global Warrant] [Regulation S/Rule 144A Global Warrant] in the United States or to, or for the account or benefit of, a U.S. person may only be effected to or through the Issuer or the Dealer if such person is a QIB/QP that executes and delivers an Investor Representation Letter for the benefit of the Dealer, the Issuer and the Guarantor (if applicable) (together with their respective affiliates and any persons controlling, controlled by or under common control with such Dealer, Issuer or Guarantor (if applicable)) and subject to the satisfaction of certain other conditions for such Warrants. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions" in the Offering Circular;

(i) [*insert applicable U.S. selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in the Terms and Conditions*]; and

(j) [*specify any amendments to the form of Exercise Notice (the form of which is set out in a schedule to the English Law Agency Agreement)*].

49.	Payment Day (Condition 6(B)):	[Following] [Modified Following]
50.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	[Not Applicable] [*give details*] (*Consider whether New York should be specified in the case of Rule 144A Warrants with a Settlement Currency other than U.S. dollars*)
51.	Payment Disruption (Condition 6(C)):	[Applicable] [Not Applicable] [*if not applicable, delete the remaining provisions of this section.*] (*Generally, Payment Disruption Event should be applicable for Saudi Share Linked Warrants*)
	(a) Payment Disruption Event:	[Applicable] [Not Applicable] [*if not applicable, then may delete the following sub-paragraph*]
	- Base Currency/Subject Currency:	[As specified under paragraph 34] [*insert if FX Linked Provisions are not specified to be applicable] (for Saudi Share Linked Warrants, specify [Settlement Currency*] [Saudi Arabian Riyal] [*Currency of the Shares*])]
	(b) CNY Payment Disruption Event:	[Applicable] [Not Applicable] [*if not applicable, then may delete the following sub-paragraphs*]
	(i) CNY Settlement Centre:	[The Hong Kong Special Administrative Region] [●]]
	(ii) Date Postponement:	[Applicable] [Not Applicable]

	(iii) Payment of Equivalent Amount:	[Applicable] [Not Applicable] [*If Payment of Equivalent Amount is applicable, include the following*: Base Currency: [●] Equivalent Amount Settlement Rate: [As specified in Condition 6(C)] [*specify other*]
52.	Other terms:	[Not Applicable] [*give details*]

DISTRIBUTION

53.	The initial purchasers and name of applicable permitted dealer in the United States of the W&C Instruments:	[The dealer [in the United States] for the W&C Instruments is [*name of applicable permitted dealer in the United States*], acting as principal. [*Name of applicable permitted dealer in the United States*] does not receive any compensation for the sales in which it participates.] [Not Applicable] (*Applicable where Rule 144A W&C Instruments are eligible for sale (a) in the United States to QIBs who are also QPs or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs*)]
54.	Method of distribution:	[Syndicated] [Non-Syndicated]
	(a) If syndicated, names and addresses of Managers:	[Not Applicable] [*give names and addresses*]
	(b) Date of Subscription Agreement:	[●]
55.	If non-syndicated, name and address of relevant Dealer:	[Not Applicable] [*give name and address*] [Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom] [BofA Securities Europe SA 51 rue La Boétie 75008 Paris France]
56.	Total commission and concession:	[●] [Not Applicable]
57.	U.S. Selling Restrictions:	[*Insert in the case of W&C Instruments other than Rule 144A W&C Instruments or Regulation S/Rule 144A Global W&C Instruments*: The W&C Instruments may not be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (each as defined in Regulation S under the U.S. Securities Act of 1933, as amended).] [*Insert in the case of Rule 144A Global W&C Instruments*: The [Certificates] [Warrants] are eligible for sale to qualified institutional buyers (as defined in Rule 144A of the U.S. Securities Act of 1933, as amended) who are also qualified purchasers (within the

		meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended) (a "**QIB**"/"**QP**"), and such [Certificates] [Warrants] may only be subsequently offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, by such investors to a QIB/QP who executes an Investor Representation Letter and otherwise in compliance with Rule 144A.] [*Insert in the case of Regulation S/Rule 144A Global W&C Instruments*: The [Certificates] [Warrants] are eligible for sale either (a) in an offshore transaction to investors who are not U.S. persons, and such [Certificates] [Warrants] may not be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or (b) to investors who are qualified institutional buyers (as defined in Rule 144A of the U.S. Securities Act of 1933, as amended (the "**Securities Act**")) and who are also qualified purchasers (within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended) (a "**QIB**"/"**QP**"), and such [Certificates] [Warrants] may only be subsequently offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, by such investors to a QIB/QP who executes an Investor Representation Letter and otherwise in compliance with Rule 144A. A "**U.S. person**" has the meaning ascribed to it by Regulation S under the Securities Act.]
58.	Additional United States Tax Considerations:	[Not Applicable] [*give details*] Code Section 871(m): [Not Applicable]
59.	Additional selling restrictions:	[Not Applicable] [*give details*] [[PRC] [Indonesia] [Malaysia] [Pakistan] [Vietnam] [Taiwan] [Thailand] [ChiNext Share Connect] [STAR Market Share Connect] Selling Restrictions]
60.	Swiss Non-Exempt Public Offer:	[Not Applicable][93] [Yes. If an obligation to prepare a supplement to the Offering Circular pursuant to article 56(1) of the Swiss Financial Services Act (FinSA) is triggered during the [Swiss Offer Period][subscription period], subscriptions may be withdrawn within two days of publication of the supplement. [An offer of the Securities may be made in Switzerland during the period from [(and including)][●]

[93] Insert "Not Applicable" in the case of Instruments which are not offered and sold into Switzerland.

(specify date) to [(and including)] [●] (specify date)] (the "**Swiss Offer Period**")]. The Issuer gives specific consent to use the Offering Circular and these Final Term [during the Swiss Offer Period] to the financial intermediary that is responsible for the primary offer of the Instruments in Switzerland and with whom the Issuer or any of its Affiliates has a contractual relationship in respect of such offer in Switzerland]

[No. Neither these Final Terms nor the Offering Circular constitutes a prospectus within the meaning of the Swiss Financial Services Act and no such prospectus will be prepared.][94]

PURPOSE OF FINAL TERMS

These Final Terms comprise the Final Terms required for issue [and] [admission to trading on [*specify relevant market (for example, the Euro MTF of the Luxembourg Stock Exchange) and, if relevant, admission to an official list (for example, the Official List of the Luxembourg Stock Exchange)*] of the W&C Instruments described herein pursuant to the Note, Warrant and Certificate Programme of Bank of America Corporation, BofA Finance LLC, Merrill Lynch B.V. and Merrill Lynch International & Co. C.V.

RESPONSIBILITY

[Subject as provided below,] the Issuer accepts responsibility for the information contained in these Final Terms.] [The information relating to [●] [and [●]] contained herein has been accurately extracted from [*insert information source(s)*]. The Issuer accepts responsibility for the accuracy of such extraction but accepts no further or other responsibility in respect of such information.

[[Each of the] [The] Issuer [and the Guarantor] confirms that the information contained in these Final Terms is to the best of its knowledge correct and that no material facts or circumstances have been omitted from the prospectus consisting of these Final Terms and the Offering Circular as supplemented as of the date hereof][95]

Signed on behalf of the Issuer:

By: .....

Duly authorised

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94 Insert "Yes" in the case of Instruments publicly offered in Switzerland to any type of investors. Insert "No" in the case of Instruments offered under an exemption from the Swiss prospectus requirement (e.g., private placement, profession investors, issue size below CHF 8 mio.).

95 Insert in respect of Securities for which "Swiss Non-Exempt Public Offer" is specified as "Yes"

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and Admission to trading: (*N.B. W&C Instruments which are sold to UK individual investors must be listed on a "recognised stock exchange"*.) (*Where documenting a fungible issue need to indicate that original instruments are already admitted to trading.*)	[Not Applicable] [Application [has been]/[will be]/[is expected to be] made by the Issuer (or on its behalf) for the W&C Instruments to be [admitted to trading on the Luxembourg Stock Exchange's Euro MTF and listed on the Official List of the Luxembourg Stock Exchange] [*specify other listing or admission to trading*] [with effect from, at the earliest, the Issue Date. No assurances can be given that such application for listing will be granted, (or if granted, will be granted by the Issue Date)] [The Issuer has no duty to maintain the listing (if any) of the W&C Instruments on the relevant stock exchange(s) over their entire lifetime. W&C Instruments may be suspended from trading and/or de-listed at any time in accordance with applicable rules and regulations of the relevant stock exchange(s).]

2. OPERATIONAL INFORMATION

(i)	ISIN:	[The ISIN is set out in "Specific Provisions for each Series" above.]
(ii)	Common Code:	[The Common Code is set out in "Specific Provisions for each Series" above.]
(iii)	Wertpapierkennnummer (WKN) (German Security Code):	[The WKN is set out in "Specific Provisions for each Series" above.]
(iv)	[(insert here any other relevant codes such as CUSIP and CNS codes)]:	[●]
(v)	Clearing System(s):	[Euroclear Bank SA/NV] [and] [Clearstream Banking, S.A.] [The Depository Trust Company]
(vi)	Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, S.A., The Depository Trust Company and the relevant identification number(s):	[Not Applicable] [*give name(s) and number(s)*] [*For CREST CDI Securities, insert the following language*: The Instruments will be deposited with a common depository for Euroclear and Clearstream, Luxembourg and will be accepted for settlement in Euroclear UK & Ireland Limited ("**CREST**") via the CREST Depository Interest ("**CDI**") mechanism.]
(vii)	Names and addresses of initial W&C Instrument Agents:	[Bank of America, N.A. (operating through its London Branch) 2 King Edward Street London EC1A 1HQ United Kingdom][96]

[96] Include in the case of all W&C Instruments.

		[Bank of America, N.A. 135 South LaSalle Street Chicago, IL 60603 United States of America][97]
(viii)	Registrar:	[Bank of America Europe DAC Block D, Central Park Leopardstown D18 N924 Ireland][98]
		[Not Applicable]

3. **[FORM OF NOTICE FROM BENEFICIAL OWNER TO FINANCIAL INTERMEDIARY]**

[97] Include in the case of Rule 144A W&C Instruments.

[98] Include in the case of all Registered W&C Instruments.

[**Schedule – Index Disclaimer**

[*Include applicable disclaimer, if any*]]

[*insert only for Swiss Non-Exempt Public Offers*]

SUMMARY

INTRODUCTION AND WARNINGS
This Summary should be read as an introduction to these Final Terms. Any decision to invest in the W&C Instruments should be based on consideration of the Offering Circular (which includes the documents incorporated by reference therein) and these Final Terms as a whole by the investor. Any liability for information contained in this Summary is limited to cases where this Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Final Terms and the Offering Circular. **The W&C Instruments do not constitute a participation in a collective investment scheme in the meaning of the Swiss Collective Investment Schemes Act and are not licensed by the Swiss Financial Market Supervisory Authority ("FINMA") thereunder. Accordingly, neither the W&C Instruments nor holders of the W&C Instruments benefit from protection under the Swiss Collective Investment Schemes Act or supervision by FINMA and investors are exposed to the credit risk of the Issuer [and Guarantor].** This Summary has been prepared and is being provided solely for the purpose of an offer of the W&C Instruments in Switzerland pursuant to the Swiss Financial Services Act ("**FinSA**") and it must not be used for any other purpose or in any other context than for which it is prepared and provided. This Summary does not apply to, must not be used for or in connection with, and does not constitute, any offer or invitation for subscription of the Instruments to, or any solicitation by, any person in any jurisdiction other than Switzerland. **You are about to purchase a product that is not simple and may be difficult to understand.**
KEY INFORMATION ON THE SECURITIES
The Issuer: Merrill Lynch B.V. ("**MLBV**"). MLBV is a private limited liability company incorporated under Dutch law. MLBV was incorporated on 12 November 2012 as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law. MLBV continues to exist until it is dissolved and liquidated in accordance with the relevant provision of the Dutch Civil Code. MLBV's registered office is at Amstelplein 1, Rembrandt Tower, 27th Floor, 1096 HA Amsterdam, the Netherlands and it is registered with the Trade Register of the Dutch Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) in Amsterdam, the Netherlands, under number 56457103. The LEI in respect of MLBV is 549300RQ1D1WIE085245. [Merrill Lynch International & Co. C.V. ("**MLICo**.") (acting by its general partner ML Cayman Holdings Inc.). MLICo. is a Curaçao limited partnership of unlimited duration, organised under the laws of Curaçao and commenced operation on 1 August 1975. MLICo. was registered on 1 August 1975 under registered number 11705 in the Commercial Register of the Chamber of Commerce and Industry in Curaçao. MLICo.'s registered office is at Kaya W.F.G. (Jombi) Mensing 36, Curaçao. The LEI in respect of MLICo. is AHYI0DDQ2LCHPGHJC422.]
[*insert if W&C Instruments are guaranteed by BAC*][***The Guarantor***: Bank of America Corporation ("**BAC**"). BAC is a Delaware corporation, a bank holding company and a financial holding company. BAC was incorporated on 31 July 1998 (existing until it is dissolved). BAC was initially registered with the State of Delaware, Secretary of State, Division of Corporations on 31 July 1998 under registration number 2927442. BAC's registered office in Delaware is at the Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, United States. BAC's headquarters and principal place of business are located at 100 North Tryon Street, Charlotte, North Carolina 28255, United States. The LEI in respect of BAC is 9DJT3UXIJIZJI4WXO774.
[*insert in case of Secured W&C Instruments*][***The Collateral Provider***: Merrill Lynch International ("**MLI**")(solely with respect to the segregated pool of collateral assets provided by MLI in its capacity as Secured Instruments Collateral Provider). MLI is a [type of company] incorporated under [English law]. MLI was incorporated on [date] [type of company] incorporated under [English law]. MLI's

articles of association do not include any limitations on the duration of the company. MLI's registered office is at [address] and it is registered with the [name of UK register], under number [register number]. The LEI in respect of MLI is [GGDZP1UYGU9STUHRDP48].
Product name: [Up to] [*insert aggregate nominal/notional amount or number of W&C Instruments*] [*insert name of W&C Instruments*] issued under the Notes, Warrants and Certificates Programme of Bank of America Corporation (the "**Notes**").
Product identifier: ***ISIN:*** [*insert*] ***SSPA Product Type***: [insert] with additional feature(s): [insert] *(Further information is available at https://www.sspa.ch)*
Issue Date: [*insert*]
[Maturity Date][Redemption Date and Settlement Date][Settlement Date]: [insert]
Reference Items: [*insert*]
[***Settlement Currency:*** [*insert*]]
[***Settlement Method:*** [Cash Settlement] [Physical Settlement] [Auction Settlement][others]]
KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC
Issue Price: [*Insert if trading in nominal*] [*insert*]% of the aggregate nominal amount] [*Insert if trading in units*] [*insert currency*][*insert*] per Note]
[*Insert if applicable*][***Subscription Period***: From and including [*insert*] to and including [*insert*]]
Public Offer Jurisdiction: Switzerland
The Instruments will not be admitted to trading on any trading venue in Switzerland
Selling Restrictions: *U.S. Selling Restrictions*: [*insert language as per item 57 above*] *EEA selling restrictions*: Applicable *UK selling restrictions*: Applicable [The W&C Instruments may not be offered, sold or otherwise made available to any retail investors in the European Economic Area.] [The W&C Instruments may not be offered, sold or otherwise made available to any retail investors in the United Kingdom.] *Additional selling restrictions*: [Not Applicable] [*insert*]

TERMS AND CONDITIONS OF THE W&C INSTRUMENTS

The following is the text of the Terms and Conditions of the W&C Instruments which will apply to each issue of W&C Instruments and which will include the Additional Terms and Conditions (as defined below) if and to the extent specified in the applicable Final Terms.

The Series of W&C Instruments described in the applicable Final Terms (insofar as it relates to such Series of W&C Instruments) (such W&C Instruments being hereinafter referred to as the "**W&C Instruments**") are issued by whichever of Merrill Lynch B.V. ("**MLBV**") or Merrill Lynch International & Co. C.V. ("**MLICo.**") (acting by its general partner ML Cayman Holdings Inc.) is specified as the Issuer in the applicable Final Terms (the "**Issuer**") and references to the Issuer shall be construed accordingly. W&C Instruments will be either warrants ("**Warrants**") or certificates ("**Certificates**"), as specified in the applicable Final Terms, and references in these Terms and Conditions to "**W&C Instrument**", "**W&C Instruments**", "**Warrant**", "**Warrants**", "**Certificate**" and "**Certificates**" will be construed accordingly.

MLBV and MLICo. may issue Warrants and Certificates.

The W&C Instruments are issued pursuant to an Amended and Restated English Law Agency Agreement dated 13 May 2022 (such agency agreement as amended and/or supplemented and/or restated from time to time, the "**English Law Agency Agreement**") which is governed by English law among, *inter alios*, MLBV, MLICo., Bank of America Corporation ("**BAC**" or the "**Guarantor**") as guarantor, Bank of America, N.A. (operating through its London Branch) as principal paying agent (in such capacity, the "**Principal Paying Agent**"), which expression shall include any successor principal paying agent), Bank of America, N.A. (operating through its London Branch) as principal warrant agent (in such capacity, the "**Principal Warrant Agent**"), which expression shall include any successor principal warrant agent), Bank of America, N.A. as U.S. warrant agent (in such capacity, the "**U.S. Warrant Agent**"), which expression shall include any successor U.S. warrant agent), Bank of America, N.A. (operating through its London Branch) as principal certificate agent (in such capacity, the "**Principal Certificate Agent**", which expression shall include any successor principal certificate agent), Bank of America, N.A. as U.S. certificate agent (in such capacity, the "**U.S. Certificate Agent**" which expression shall include any successor U.S. certificate agent) and Bank of America Europe DAC as registrar in respect of Warrants and Certificates (the "**Registrar**").

In connection with each issue of Warrants, references herein to the "**Principal Instrument Agent**" shall be deemed to be references to the Principal Warrant Agent and references to "**W&C Instrument Agents**" shall be deemed to be references to the Principal Warrant Agent, the U.S. Warrant Agent and any additional or successor to such agents appointed pursuant to the English Law Agency Agreement collectively.

In connection with each issue of Certificates, references herein to the "**Principal Instrument Agent**" shall be deemed to be references to the Principal Certificate Agent, where the context permits and references to "**W&C Instrument Agents**" shall be deemed to be references to the Principal Certificate Agent, the U.S. Certificate Agent and any additional or successor to such agents appointed pursuant to the English Law Agency Agreement collectively.

Merrill Lynch International or BofA Securities Europe SA shall undertake the duties of calculation agent (the "**Calculation Agent**") in respect of the W&C Instruments unless another entity is so specified as the calculation agent in the applicable Final Terms. The expression Calculation Agent shall, in relation to the relevant W&C Instruments, include such other specified calculation agent.

The applicable Final Terms (the "**Final Terms**") for the W&C Instruments supplement these Terms and Conditions (the "**Terms and Conditions**", or the "**Conditions**") and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, supplement, replace or modify these Terms and Conditions for the purposes of the W&C Instruments. References herein to the "**applicable Final Terms**" are to Part A (including, if applicable, any annex or appendix thereto) of the Final Terms or each Final Terms (in the case of any further instruments issued pursuant to Condition 14 (*Further Issues*) and forming a single Series with the W&C Instruments) (which for the avoidance of doubt may be issued in respect of more than one Series of W&C Instruments) attached to the Global W&C Instrument or to the Definitive W&C Instrument, as the case

may be, or constituting a part of such W&C Instruments and made available as provided in the preceding paragraph insofar as it relates to the W&C Instruments.

The additional Terms and Conditions (the "**Additional Terms and Conditions**") contained in Annex 1 in the case of Index Linked W&C Instruments (together with Annex 16 where Index-Linked Futures Contracts are referenced), Annex 2 in the case of Share Linked W&C Instruments, Annex 3 in the case of Low Exercise Price Warrants, Annex 4 in the case of GDR/ADR Linked W&C Instruments, Annex 5 in the case of FX Linked W&C Instruments, Annex 6 in the case of Commodity Linked W&C Instruments, Annex 7 in the case of Fund Linked W&C Instruments, Annex 8 in the case of Inflation Linked W&C Instruments, Annex 9B in the case of Credit Linked W&C Instruments, Annex 11 in the case of Rule 144A W&C Instruments, Annex 12 in the case of Saudi Share Linked Warrants , and/or Annex 13 in the case of Secured Static/Floating Instruments or Annex 14 in the case of Secured Fully Floating Instruments (each as defined below) will apply to, and form part of the Terms and Conditions of the W&C Instruments if and to the extent specified in the applicable Final Terms.

The applicable Final Terms for the W&C Instruments are attached to or incorporated by reference into the Global W&C Instrument or endorsed on the Definitive W&C Instruments, as the case may be.

"**Series**" means W&C Instruments which are identical in all respects (including as to listing and admission to trading), together with any further W&C Instruments which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates and/or Issue Prices.

Any reference to "**W&C Instrument holders**" or "**Holders**" in relation to any W&C Instruments shall mean the holders of the W&C Instruments.

Other than in respect of the Secured W&C Instruments, the payment of all amounts payable and/or delivery of non-cash consideration deliverable by the Issuer in respect of the W&C Instruments are unconditionally and irrevocably guaranteed by BAC pursuant to the guarantee dated 13 May 2022, as executed by BAC (the "**MLBV/MLICo. Guarantee**"). The original of the MLBV/MLICo. Guarantee is held by Bank of America, N.A. (operating through its London Branch) at its specified office currently at 2 King Edward Street, London EC1A 1HQ. For the avoidance of doubt, the Secured W&C Instruments issued by MLBV or MLICo. are not guaranteed by BAC and Holders of such Secured W&C Instruments will not be able to claim under the terms of the MLBV/MLICo. Guarantee for any unpaid amounts and any such shortfall will not constitute an unsecured claim by such Holder of Secured W&C Instruments against the Guarantor.

The W&C Instrument holders are entitled to the benefit of the W&C Instruments Deed of Covenant (the "**W&C Instruments Deed of Covenant**") dated 13 May 2022 and made by the Issuer. The original of the W&C Instruments Deed of Covenant is held by a common depositary for Euroclear and Clearstream, Luxembourg (each as defined below) (the "**Common Depositary**"). For the avoidance of doubt, Holders of W&C Instruments held through The Depository Trust Company ("**DTC**") are not entitled to the benefit of the direct rights under the W&C Instruments Deed of Covenant.

Copies of the English Law Agency Agreement are available for viewing and can be obtained during normal business hours at the specified offices of the W&C Instrument Agents and copies of the MLBV/MLICo. Guarantee are available for viewing and can be obtained during normal business hours at the specified offices of the Principal Instrument Agent. Copies of the applicable Final Terms will be available for viewing and can be obtained during normal business hours at the specified office of the relevant Dealer and the applicable W&C Instrument Agents only by a Holder (as defined in Condition 1(B), or "Annex 11B – *Additional Terms and Conditions for Rule 144A W&C Instruments*" as applicable) holding one or more W&C Instruments and such Holder must produce evidence satisfactory to the Issuer or the relevant W&C Instrument Agent as to its holding of such W&C Instruments and its identity. The Offering Circular and, in the case of W&C Instruments admitted to trading on the Luxembourg Stock Exchange's Euro MTF, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). Final Terms relating to Notes listed and/or admitted to trading on any other stock exchange or market will be published in accordance with the rules and regulations of such stock exchange or market.

The Holders are deemed to have notice of or are entitled to the benefit of and are bound by all the provisions of the English Law Agency Agreement the MLBV/MLICo. Guarantee (if applicable), the W&C Instruments Deed of Covenant and the applicable Final Terms which are applicable to them.

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

1. **Type, Title and Transfer**

(A) *Type*

W&C Instruments may be issued in registered form ("**Registered W&C Instruments**") or uncertificated or dematerialised form. Registered W&C Instruments will be represented by Global W&C Instruments or Definitive W&C Instruments, in accordance with these Terms and Conditions of the W&C Instruments.

The W&C Instruments relate to a specified Index or basket of Indices ("**Index Linked W&C Instruments**"), a specified Share or basket of Shares ("**Share Linked W&C Instruments**"), a specified American depositary receipt (an "**ADR**") and/or global depositary receipt (a "**GDR**") representing interests in a share (the "**Underlying Share**") or basket of such GDRs and/or ADRs ("**GDR/ADR Linked W&C Instruments**"), a specified currency or basket of currencies ("**FX Linked W&C Instruments**"), a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Linked W&C Instruments**"), a specified fund share or unit or basket of fund shares or units ("**Fund Linked W&C Instruments**"), a specified inflation index ("**Inflation Linked W&C Instruments**"), a specified share of a company listed on the Saudi Stock Exchange (*Tadawul*) or basket of such shares ("**Saudi Share Linked Warrants**") or the credit of a specified reference entity or reference entities ("**Credit Linked W&C Instruments**") or any other or further type of instruments as is specified in the applicable Final Terms. The W&C Instruments issued by MLICo. or MLBV may be secured by a segregated pool of Collateral Assets (the "**Secured W&C Instruments**").

The applicable Final Terms will indicate whether settlement shall be by way of cash payment ("**Cash Settled W&C Instruments**") or physical delivery ("**Physical Delivery W&C Instruments**") and whether averaging ("**Averaging**") will apply to the W&C Instruments.

If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state the relevant Averaging Dates and, in respect of Index Linked Instruments and Share Linked Instruments, if an Averaging Date is a Disrupted Day, whether Omission, Postponement or Modified Postponement applies.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled W&C Instruments shall be deemed to include references to Physical Delivery W&C Instruments, which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such W&C Instrument and where settlement is to be by way of cash payment, and references in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery W&C Instruments shall be deemed to include references to Cash Settled W&C Instruments which include an option (as set out in the applicable Final Terms) at the Issuer's election to request physical delivery of the relevant underlying asset in settlement of such W&C Instrument and where settlement is to be by way of physical delivery.

W&C Instruments may, if so specified and provided for in the applicable Final Terms, allow Holders to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those W&C Instruments where the Holder has elected for cash payment will be

Cash Settled W&C Instruments and those W&C Instruments where the Holder has elected for physical delivery will be Physical Delivery W&C Instruments. The rights of a Holder as described in this paragraph may be subject to the Issuer's right to vary settlement if so indicated in the applicable Final Terms.

(B) *Title to W&C Instruments*

Subject as set out below, title to Registered W&C Instruments will, subject to mandatory rules of law, pass by registration in the Register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the English Law Agency Agreement.

In the case of W&C Instruments that are represented by a Global W&C Instrument, each person who is for the time being shown in the records of a Clearing System as the holder of a particular number or nominal amount, as the case may be, of W&C Instruments (in which regard any certificate or other document issued by such Clearing System as to the number or nominal amount, as the case may be, of W&C Instruments standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) shall be treated by the Issuer, the Guarantor and any W&C Instrument Agent as the holder of such number or nominal amount, as the case may be, of W&C Instruments for all purposes other than with respect to the payment of principal or additional amounts on such number, or nominal amount, as the case may be, of such W&C Instruments, for which purpose the person recorded in the Register shall be treated by the Issuer, the Guarantor, the Registrar and any W&C Instrument Agent as the Holder of such number, or nominal amount, as the case may be, of such W&C Instruments in accordance with and subject to the terms of the relevant W&C Instrument (and the expression "**Holder**" and related expressions shall be construed accordingly).

An individual certificate ("**individual certificate**") will be issued to each holder of Definitive Registered Certificates in registered form in respect of its registered holding. An individual warrant certificate ("**individual warrant certificate**") will be issued to each holder of Definitive Registered Warrants in registered form in respect of its registered holding. Each individual certificate and individual warrant certificate will be numbered serially with an identifying number which will be recorded in the register. Each holder for the time being registered in the Register (or in the case of a joint holding, the first named thereof) shall be treated by the Issuer, the Guarantor, the Registrar and any W&C Instrument Agent as the Holder of such number, or nominal amount, as the case may be, of such W&C Instruments in accordance with and subject to the terms of the relevant W&C Instrument (and the expression "**Holder**" and related expressions shall be construed accordingly).

(C) *Transfers of W&C Instruments*

(a) *Global W&C Instruments*

W&C Instruments that are represented by a Global W&C Instrument held through a Clearing System, will be transferable only in accordance with the rules and procedures for the time being of such Clearing System.

(b) *Definitive W&C Instruments in registered form*

Subject to Condition 30(C) (*Closed Periods in respect of Definitive Registered Certificates*) transfers of Definitive Registered Certificates in registered form are effected upon (i) the surrender (at the specified office of the Principal Instrument Agent) of the individual certificate representing such Definitive Registered Certificates to be transferred together with the form of transfer (which shall be available at the specified office of the Principal Instrument Agent) endorsed on such individual 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 by the person shown as the registered holder in the Register, or its attorney duly authorised in

writing, and any other evidence as the Principal Instrument Agent may reasonably require, (ii) the recording of such transfer in the Register and (iii) issuance of a new individual certificate or certificates to the transferee or transferees. Subject to Condition 23(D) (*Closed Periods in respect of Definitive Registered Warrants*), transfers of Definitive Registered Warrants in registered form are effected upon (i) the surrender (at the specified office of the Principal Instrument Agent) of the individual warrant certificate representing such Definitive Registered Warrants to be transferred together with the form of transfer (which shall be available at the specified office of the Principal Instrument Agent) endorsed on such individual warrant 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 by the person shown as the registered holder in the Register, or its attorney duly authorised in writing, and any other evidence as the Principal Instrument Agent may reasonably require, (ii) the recording of such transfer in the Register and (iii) issuance of a new individual warrant certificate or certificates to the transferee or transferees.

2. **Status of the W&C Instruments and MLBV/MLICo. Guarantee**

Other than the Secured W&C Instruments, the W&C Instruments constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and rank equally among themselves and rank equally (subject to such exceptions as are from time to time provided by applicable laws) with all other present and future direct, unsubordinated, unconditional and unsecured obligations of the Issuer.

The obligations of the Guarantor under the MLBV/MLICo. Guarantee, save for such exceptions as may be provided by applicable laws and regulations or judicial order, will rank *pari passu* with its other present and future unsecured and unsubordinated obligations.

3. **MLBV/MLICo. Guarantee**

Under the MLBV/MLICo. Guarantee, the Guarantor has unconditionally and irrevocably guaranteed to the Holders, (i) the due and punctual payment of any and all amounts payable by the Issuer as obligor in respect of the W&C Instruments (except for Secured W&C Instruments which it does not guarantee) and/or (ii) subject as provided below, the due and punctual delivery of non-cash consideration deliverable by the Issuer in respect of the W&C Instruments (except for Secured W&C Instruments which it does not guarantee), if applicable, when and as the same shall become due and payable or when the same shall become due for delivery, as the case may be, pursuant to the Conditions and to the extent provided in the MLBV/MLICo. Guarantee. The Secured W&C Instruments will not have the benefit of the MLBV/MLICo. Guarantee. As more fully set forth in the MLBV/MLICo. Guarantee, the Guarantor shall at all times have the right, at its sole and unfettered discretion, to elect not to deliver or procure delivery of the Entitlement to the Holders of Physical Delivery W&C Instruments (which term, as it relates to the MLBV/MLICo. Guarantee and the Guarantor does not include Secured W&C Instruments) when the same shall become due and deliverable, but in lieu thereof, to pay an amount in cash equal to the Guaranteed Cash Settlement Amount. The "**Guaranteed Cash Settlement Amount**" in respect of each W&C Instrument, other than any Secured W&C Instruments, means an amount calculated pursuant to the terms of, or as specified in, the applicable Final Terms (or, in respect of each Credit Linked W&C Instruments, as set out in Condition 5 (*Physical Settlement*) of "Annex 9B - *Additional Terms and Conditions for Credit Linked W&C Instruments*") or, if not specified in the applicable Final Terms, an amount equal to the fair market value of the Entitlement in respect of such W&C Instrument on any date notified as such by the Guarantor to the Issuer and the Calculation Agent, less the cost to the Issuer and/or its Affiliates or agents of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), all as determined by the Guarantor in its sole and absolute discretion. Any payment of the Guaranteed Cash Settlement Amount in lieu of the Entitlement shall constitute a complete discharge of the Guarantor's obligations in respect of such Physical Delivery W&C Instruments.

4. **Definitions**

For the purposes of these Terms and Conditions, the following general definitions will apply:

"**Actual Exercise Date**" means the Exercise Date (in the case of European Style Warrants or Certificates), or, subject to Condition 25(F)(a)(ii), the date during the Exercise Period on which the Warrant is actually or is deemed exercised (in the case of American Style Warrants (as more fully set out in Condition 24(A)(a)).

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity.

"**Aggregate Notional Amount**" has the meaning given to it in the applicable Final Terms.

"**Business Day**" means:

(A) a day (other than a Saturday or Sunday) on which:

(i) commercial banks and foreign exchange markets settle payments and are open for business (including dealings in foreign exchange and foreign currency deposits) London and each relevant Business Day Centre(s), specified in the applicable Final Terms, provided that if the Business Day Centre(s) is specified in the applicable Final Terms to be or to include "TARGET", then Business Day shall also be a day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) system or any successor thereto (the "**TARGET2 System**") is operating; and

(ii) each relevant Clearing System is open for business; and

(iii) either (1) in relation to a sum payable other than in euro or CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Settlement Currency (if other than London and any Business Centre(s) and which if the Settlement Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is operating, or (3) in relation to any sum payable in CNY, unless otherwise specified in the applicable Final Terms, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Hong Kong Special Administrative Region.

"**Cash Settlement Amount**" means, in relation to a Cash Settled W&C Instrument, the amount (which may never be less than zero) which the Holder is entitled to receive on the Settlement Date in the Settlement Currency in relation to each such W&C Instrument, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, as determined by the Calculation Agent pursuant to the provision set out in the applicable Final Terms. The Cash Settlement Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the relevant Settlement Currency, with 0.005 (or, in the case of Japanese Yen, half a unit) being rounded upwards, and with W&C Instruments exercised at the same time by the same Holder being aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such W&C Instruments.

"**Clearing Systems**" means Euroclear and/or Clearstream, Luxembourg or any other relevant clearing system.

"**Clearstream, Luxembourg**" means Clearstream Banking, S.A.

"**Definitive Registered Certificates**" means an individual certificate (as defined in Condition 29 (*Form of Certificates*)).

"**Definitive Registered Warrants**" means an individual warrant certificate (as defined in Condition 22 (*Form of Warrants*)).

"**Definitive W&C Instruments**" means the Definitive Registered Certificates and the Definitive Registered Warrants.

"**Entitlement**" means, in relation to a Physical Delivery W&C Instrument (other than a Credit Linked W&C Instrument), or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Settlement Date in respect of each such W&C Instrument or Unit, as the case may be, following payment of the Expenses, and, in the case of Warrants, the Exercise Price, which quantity will be rounded down as provided in Condition 24(C) or 31(A), as determined by the Calculation Agent and includes any documents evidencing such Entitlement.

"**Euroclear**" means Euroclear Bank SA/NV.

"**Euroclear/CBL Global W&C Instruments**" means the Euroclear/CBL Global Registered Certificates and the Euroclear/CBL Global Registered Warrants, each a "**Euroclear/CBL Global W&C Instrument**".

"**Exercise Price**" means the price specified as the Exercise Price in the applicable Final Terms.

"**FATCA Provisions**" means Sections 1471 through 1474 of the Code (or any successor provisions) any regulation, pronouncement, or agreement thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, whether currently in effect or as published and amended from time to time, and any intergovernmental agreement entered into in connection with the implementation of such provisions of the Code.

"**Global W&C Instrument**" means (a) in the case of an issue of Warrants, the Global Warrant (as defined in Condition 22 (*Form of Warrants*)) representing such Warrants and (b) in the case of an issue of Certificates, the Global Certificate (as defined in Condition 29 (*Form of Certificates*))) representing such Certificates.

"**Notional Amount**" has the meaning given to it in the applicable Final Terms.

"**Mandatory Early Exercise Cash Settlement Amount**" means, in respect of a Mandatory Early Exercise Date, such amount specified in the applicable Final Terms.

"**Mandatory Early Exercise Cash Settlement Date**" means, in respect of a Mandatory Early Exercise Date, such date specified in the applicable Final Terms.

"**Mandatory Early Exercise Date**" means each Mandatory Early Exercise Date specified in the applicable Final Terms.

"**Mandatory Early Exercise Event**" means each Mandatory Early Exercise Event specified in the applicable Final Terms.

"**Register**" means the register held by the Registrar in respect of Registered W&C Instruments.

"**Regulation S**" means Regulation S under the Securities Act.

"**Relevant Assets**" means the assets comprising the Entitlement, as specified in the applicable Final Terms.

"**Settlement Business Day**" means any day on which the relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"**Settlement Date**" has the meaning given in the applicable Final Terms.

"**Unit**" has meaning given in the applicable Final Terms.

"**United States**" means the United States of America (including the states and the District of Columbia), its territories and possessions.

"**U.S. person**" has the meaning ascribed to it by Regulation S under the Securities Act.

5. **General provisions relating to Physical Settlement in respect of W&C Instruments (other than Credit Linked W&C Instruments and Rule 144A W&C Instruments)**

The provisions of Conditions 5(A), 5(B) and 5(C) apply to W&C Instruments other than Credit Linked W&C Instruments.

(A) *Settlement Disruption*

If, following the exercise of Physical Delivery W&C Instruments, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date, then such Settlement Date for such W&C Instruments shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant W&C Instruments or Unit, as the case may be, by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date. In the case of Warrants, in the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy and discharge its obligations in respect of the relevant W&C Instruments or Unit, as the case may be, by payment to the relevant Holder of the Disruption Cash Settlement Price (as defined below) on the third Business Day following the date that notice of such election is given to the Holders in accordance with Condition 12 (*Notices*). The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 12 (*Notices*) that a Settlement Disruption Event has occurred provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Settlement Disruption Event. No Holder shall be entitled to any payment in respect of the relevant W&C Instrument or Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Guarantor.

For the purposes hereof:

"**Disruption Cash Settlement Price**" in respect of any relevant W&C Instruments or Unit, as the case may be, shall be the fair market value of such W&C Instruments or Unit, as the case may be, (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such duly delivered Relevant Assets), less the cost to the Issuer and/or its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Issuer in its sole and absolute discretion, plus, in the case of Warrants and if already paid, the Exercise Price (or, whereas provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion); and

"**Settlement Disruption Event**" means, in the opinion of the Calculation Agent, an event beyond the control of the Issuer as a result of which the Issuer cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

(B) *Failure to Deliver due to Illiquidity*

If "Failure to Deliver due to Illiquidity" is specified as applicable in the applicable Final Terms and, following the exercise of Physical Delivery W&C Instruments, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets (the "**Affected Relevant Assets**") comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for the Relevant Assets (a "**Failure to Deliver due to Illiquidity**"), then:

(a) subject as provided elsewhere in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date and, in the case of Warrants, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement; and

(b) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant W&C Instruments or Unit, as the case may be, by payment to the relevant Holder of the Failure to Deliver Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 12 (*Notices*). The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 12 (*Notices*) that the provisions of this Condition 5(B) apply.

For the purposes hereof:

"**Failure to Deliver Settlement Price**" means, in respect of any relevant W&C Instrument or Unit, as the case may be, the fair market value of such W&C Instrument or Unit, as the case may be (taking into account, the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less the cost to the Issuer and/or its Affiliates or agents of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion, plus, in the case of Warrants and if already paid, the Exercise Price (or, whereas provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

(C) *Issuer's Option to Vary Settlement*

If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the W&C Instruments, upon a valid exercise of W&C Instruments in accordance with these Terms and Conditions, the Issuer may, at its sole and unfettered discretion, in respect of each such W&C Instrument or Unit elect not to pay the relevant Holders the Cash Settlement Amount or not to deliver or procure delivery of the Entitlement, as the case may be, to the relevant Holders but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Holders. Notification of such election will be given to Holders in accordance with Condition 12 (*Notices*) no later than 10.00 a.m. (London time) on the second Business Day following the Actual Exercise Date.

6. **General provisions relating to Settlement**

(A) *General Provisions*

None of the Issuer, (if applicable) the Guarantor, the Calculation Agent, the W&C Instrument Agents and the Registrar shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount or of any Entitlement.

Exercise of the W&C Instruments is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date and none of the Issuer, (if applicable) the Guarantor or any of its Affiliates, the W&C Instrument Agents and the Registrar shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer, (if applicable) the Guarantor or any of its Affiliates, the W&C Instrument Agents and the Registrar shall under any circumstances be liable for any acts or defaults of Euroclear or Clearstream, Luxembourg in relation to the performance of their duties in relation to the W&C Instruments.

The purchase of W&C Instruments does not confer on any holder of such W&C Instruments any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

(B) *Payment Day*

If the date scheduled for payment of any amount in respect of any W&C Instrument is not a Payment Day, the Holder thereof shall not be entitled to payment until (i) if "Following" is specified in the applicable Final Terms, the next following Payment Day or (ii) if "Modified Following" is specified in the applicable Final Terms, the next following Payment Day unless that Payment Day falls in the next calendar month, in which case the first preceding Payment Day, in the relevant place and shall not be entitled to further interest or other payment in respect of such delay or amendment. For these purposes, "**Payment Day**" means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchanges and foreign currency deposits) in:

(a) the principal financial centre of the country of the relevant Settlement Currency (or (A) in the case of an amount payable in euro, a day on which the TARGET2 System is operating or (B) in the case of an amount payable in CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the CNY Settlement Centre);

(b) each Additional Financial Centre specified in the applicable Final Terms, provided that if the Additional Financial Centre is specified in the applicable Final Terms to be or to include "TARGET", then Payment Day shall also be a day on which the TARGET2 System is operating; and

(c) London.

(C) *Payment Disruption*

(a) *Occurrence of a Payment Disruption Event or a CNY Payment Disruption Event*

If the applicable Final Terms specify "Payment Disruption Event" or "CNY Payment Disruption Event" to be applicable, in the event that the Calculation Agent, at any time and from time to time, determines in its sole discretion that a Payment Disruption Event or a CNY Payment Disruption Event, as the case may be, has occurred or is likely to occur, then the Calculation Agent shall as soon as practicable notify the Holders of the relevant W&C Instruments of the occurrence of such Payment Disruption Event or CNY Payment Disruption Event, as the case may be, in accordance with Condition 12 (*Notices*).

(b) *Consequences of a Payment Disruption Event*

Upon the occurrence of a Payment Disruption Event:

(i) *Postponement of relevant dates*

Subject to Condition 6(C)(e), the Calculation Agent may postpone the Exercise Date, the Settlement Date or any other date on which the W&C Instruments may be exercised or redeemed or any amount would otherwise be due and payable in respect of the relevant W&C Instruments, until five Business Days (or such other date as may be determined by the Calculation Agent and notified to the Holders in accordance with Condition 12 (*Notices*)) after the date on which the Payment Disruption Event is no longer occurring (the "**Postponed Date**"). Holders shall not be entitled to any other payment in respect of such postponement.

(ii) *Issuer's option to vary settlement*

Notwithstanding the Issuer's right to postpone the date(s) for payments and/or redemption in accordance with Condition 6(C)(b)(i), the Issuer may, if practicable (and to the extent lawful), and at the Issuer's sole and absolute discretion:

(A) make payments due to be made in the Subject Currency in the Base Currency or in U.S. dollars or euros, converted from the Subject Currency into the Base Currency, U.S. dollars or euros, as applicable, at a rate reasonably selected by the Calculation Agent;

(B) make payments due to be made in the Base Currency in the Subject Currency or in U.S. dollars or euros, disregarding any obligation to convert amounts into the Base Currency;

(C) in the case of Share Linked W&C Instruments or Index Linked W&C Instruments (where "Physical Settlement" is specified as applicable to the Index Linked Conditions in the relevant Final Terms), deliver the Shares or Fund Shares, respectively in lieu of cash settlement; or

(D) in the case of Share Linked W&C Instruments or Index Linked W&C Instruments (where "Physical Settlement" is specified as applicable to the Index Linked Conditions in the relevant Final Terms) which reference a basket of Shares or Indices, respectively, elect to satisfy in part its obligation to pay the amounts as may be due and payable under the relevant W&C Instruments by making partial payment(s) or partial deliveries, as the case may be (the "**Partial Distributions**"). Any Partial Distribution made by the Issuer to the Holders will be calculated and/or determined by the Calculation Agent in its sole and absolute discretion and shall be paid and/or delivered to the Holders *pro rata* (as far as possible, subject to any necessary adjustments for rounding) to the proportion of the W&C Instruments of the same Series held by the relevant Holder. In the event that any Partial Distribution is made by the Issuer, the Calculation Agent may, in its sole and absolute discretion, make any such corresponding adjustment to any variable relevant to the redemption or payment terms of the relevant W&C Instruments as it deems necessary and shall notify the relevant Holders thereof in accordance with Condition 12 (*Notices*).

Any payments or deliveries made in accordance with this Condition 6(C)(b)(ii) shall satisfy and discharge in full (in the case of payments or deliveries made in accordance with paragraphs (A) to (C)) and in part (in the case of Partial Distributions made in accordance with paragraph (D)) the Issuer's obligation to pay the Cash Settlement Amount or other amount in respect of which the Payment Disruption Event has arisen, and no further amounts shall be due and payable by the Issuer in respect thereof.

(c) *Consequences of a CNY Payment Disruption Event*

Upon the occurrence of a CNY Payment Disruption Event:

(i) *Postponement of relevant dates*

If "Date Postponement" is specified to be applicable in the applicable Final Terms, then Condition 6(C)(b)(i) shall apply, provided that the reference therein to "Payment Disruption Event" shall be construed as a reference to "CNY Payment Disruption Event".

(ii) *Payment of Equivalent Amount*

If "Payment of Equivalent Amount" is specified to be applicable in the applicable Final Terms, and the Calculation Agent determines that a CNY Payment Disruption Event has occurred in relation to the Issuer's obligations under the relevant W&C Instruments to pay any Additional Amount, Cash Settlement Amount or other amount in respect of the relevant W&C Instruments on the relevant Additional Amount Payment Date, Settlement Date or such other date on which any amount in respect of the relevant W&C Instruments shall be due and payable (such date, the "**Affected Payment Date**"), then the Issuer may, on giving notice to Holders in accordance with Condition 12 (*Notices*) as soon as practicable and in any event prior to the date on which the payment of the Equivalent Amount is due and payable to the Holders, make payment of the Equivalent Amount of the relevant Additional Amount, Cash Settlement Amount or such other amount payable (if applicable) in full and final settlement of its obligations to pay such Additional Amount, Settlement Amount or other amount in respect of the relevant W&C Instruments.

Notwithstanding the foregoing:

(A) if both "Payment of Equivalent Amount" and "Date Postponement" are specified to be applicable in the applicable Final Terms, and if the Issuer decides to exercise its right of postponement pursuant to Condition 6(C)(c)(i) and payment of the Equivalent Amount pursuant to this Condition 6(C)(c)(ii), the Equivalent Amount in respect of the relevant Additional Amount, Cash Settlement Amount or other amount (if applicable) in respect of the relevant W&C Instruments shall be due and payable on the Postponed Date instead of the Affected Payment Date; and

(B) if (x) only the "Payment of Equivalent Amount" is specified to be applicable in the applicable Final Terms, or (y) both "Payment of Equivalent Amount" and "Date Postponement" are specified to be applicable in the applicable Final Terms and the Issuer decides only to exercise the right of payment of the Equivalent Amount pursuant to this Condition 6(C)(c)(ii) but not its right of postponement pursuant to Condition 6(C)(c)(i), then no Postponed Date shall apply and the Equivalent Amount in respect of the relevant Additional Amount, Cash Settlement Amount or other amount (if applicable) in respect of the relevant W&C Instruments shall be due and payable on the Affected Payment Date.

(d) *Payments net of expenses*

Notwithstanding any provisions to the contrary, (a) any payments or deliveries made in accordance with Condition 6(C)(b) or Condition 6(C)(c), as the case may be, shall be made after deduction of any costs, expenses or liabilities incurred or to be incurred by the Calculation Agent or Issuer in connection with or arising from the resolution of the relevant Payment Disruption Event(s) or CNY Payment Disruption Event(s), as the case may be, and (b) no interest shall be paid by the

Issuer in respect of any delay which may occur in the payment of any amounts due and payable under the W&C Instruments as a result of the operation of Condition 6(C)(b) or Condition 6(C)(c), as the case may be.

(e) *Payment Event Cut-Off Date*

In the event that a Payment Disruption Event or a CNY Payment Disruption Event, as the case may be, is still occurring on the Payment Event Cut-Off Date, the Exercise Date, the Settlement Date, or any other date on which any Additional Amount, Cash Settlement Amount or other amount in respect of the relevant W&C Instruments shall be due and payable (as the case may be) for the relevant W&C Instruments shall fall on the Payment Event Cut-Off Date. In such circumstances, the Holder will not receive any amounts. Thereafter, the Issuer shall have no obligations whatsoever under the W&C Instruments.

For the purposes of this Condition 6(C):

"**Base Currency**" has the meaning given to it in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*";

"**CNY**" means Chinese Renminbi, the lawful currency of the People's Republic of China (including any lawful successor currency to the CNY);

"**CNY Payment Disruption Event**" means the occurrence of any of the following events:

(a) an event that makes it impossible or impractical for the Issuer to convert any amounts in CNY due in respect of the W&C Instruments in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s), other than where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation) (a "**CNY Inconvertibility Event**");

(b) an event that makes it impossible or impractical for the Issuer to deliver CNY (i) between accounts inside the relevant CNY Settlement Centre(s), (ii) from an account inside the relevant CNY Settlement Centre(s) to an account outside the relevant CNY Settlement Centre(s) (including, if applicable, to another CNY Settlement Centre), or (iii) from an account outside the relevant CNY Settlement Centre(s) to an account inside the relevant CNY Settlement Centre(s), other than where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible or impractical for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation) (a "**CNY Non-Transferability Event**"); and

(c) the general CNY foreign exchange market in the relevant CNY Settlement Centre becomes illiquid as a result of which the Issuer cannot obtain sufficient CNY in order to satisfy its payment obligations (in whole or in part) under the W&C Instruments (a "**CNY Non-Availability Event**");

"**CNY Settlement Centre**" means the financial centre(s) specified as such in the applicable Final Terms;

"**Equivalent Amount**" means, in respect of the relevant Additional Amount, Cash Settlement Amount or other amount payable (if applicable) on the relevant Affected Payment Date (for these purposes, the "**Relevant Amount**"), an amount in the Base Currency determined by the Calculation Agent by converting the

Relevant Amount into the Base Currency using the Equivalent Amount Settlement Rate for the relevant Affected Payment Date;

"**Equivalent Amount Settlement Rate**" means, unless otherwise specified in the applicable Final Terms, in respect of any relevant day, the spot exchange rate on such day between CNY and the Base Currency, determined by the Calculation Agent, taking into account all available information which the Calculation Agent deems relevant (including, but not limited to, pricing information obtained from the CNY non-deliverable market outside the People's Republic of China and/or the CNY foreign exchange market in the People's Republic of China);

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the People's Republic of China, the Hong Kong Special Administrative Region and any other CNY Settlement Centre;

"**impractical**" or "**impracticality**" means, in respect of any action to be taken by the Issuer, that the Issuer and/or its Affiliates would incur a materially increased amount of taxes, duties, expenses or fees (as compared with circumstances existing on the Trade Date) to perform such action, or the Issuer and/or any Affiliates would be in breach of any law, rule, regulation, guideline or internal policy of the Issuer and/or its Affiliates, if such action were to be performed;

"**Payment Disruption Event**" means:

(a) the occurrence of either (a) an Inconvertibility Event and/or (b) a Non-Transferability Event (each as defined in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*");

(b) the imposition by the Subject Currency Jurisdiction (or any political or regulatory authority thereof) of any capital controls, or the publication of any notice of an intention to do so, which the Calculation Agent determines in good faith is likely materially to affect the W&C Instruments, and notice thereof is given by the Issuer to the Holders in accordance with Condition 12 (*Notices*); or

(c) the implementation by the Subject Currency Jurisdiction (or any political or regulatory authority thereof) or the publication of any notice of an intention to implement any changes to the laws or regulations relating to foreign investment in the Subject Currency Jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), which the Calculation Agent determines are likely to affect materially the Issuer's ability to hedge its obligations under the W&C Instruments;

"**Payment Event Cut-Off Date**" means the date which is one year after the Exercise Date, Settlement Date or as determined by the Calculation Agent acting in good faith and notified to Holders in accordance with Condition 12 (*Notices*);

"**Subject Currency**" has the meaning given to it in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*"; and

"**Subject Currency Jurisdiction**" has the meaning given to it in "Annex 5 – *Additional Terms and Conditions for FX Linked Instruments*".

7. **Currency Substitution Event**

In the event that the Issuer and the Calculation Agent, in their discretion, determine that any Relevant Governmental Authority (as defined below) of a country, bloc of countries or other applicable sovereign entity or entities (each, an "**Applicable Jurisdiction**") announces or in any

event effects (whether pursuant to legislation enacted for such purpose in the Applicable Jurisdiction, in accordance with or in breach of applicable international treaties, or in any other manner) or (based on any publicly available information which the Issuer and the Calculation Agent reasonably consider relevant) there is a substantial likelihood that it will effect within the next 90 days, the replacement of the lawful currency (the "**Initial Currency**") of an Applicable Jurisdiction with a substitute currency ("**Substitute Currency**") (for the avoidance of doubt, including circumstances in which a country (a "**Departing Country**") within a bloc of countries in a currency union passes legislation (or a Relevant Governmental Authority thereof announces that it will pass legislation or otherwise seeks) to effect or does effect the withdrawal of such Departing Country from the currency bloc and the replacement of the currency of the currency union with another currency as the official currency of the Departing Country) (any such event being a "**Currency Substitution Event**"), and:

(a) the calculation of amounts to be paid or assets to be delivered under any W&C Instrument is linked to one or more Reference Items, and the currency by which the Reference Item(s) and/or any component(s) thereof is priced, quoted or traded is (or, in the Issuer's reasonable opinion is likely to be), as a result of the Currency Substitution Event, redenominated from the Initial Currency into the Substitute Currency; and/or

(b) the calculation of amounts to be paid or assets to be delivered under any W&C Instrument is linked to one or more floating rates of interest based on or related to amounts denominated in the Initial Currency; and/or

(c) the Hedging Arrangements (as defined below) in respect of any W&C Instrument have been materially adversely affected by (A) the Currency Substitution Event and/or (B) capital controls or other restrictions imposed by a Relevant Governmental Authority of the Applicable Jurisdiction, and the Hedging Party (as defined below) is unable, after using commercially reasonable efforts, to alter or modify the Hedging Arrangements and/or establish alternate Hedging Arrangements to fully account for the material adverse effect of (A) and/or (B) above,

or in the event that the currency in which the Issuer would otherwise be obligated to make any payments of principal, interest or other amounts payable on any Note is not available to the Issuer for making payment or payments, then, unless otherwise set out in the applicable Final Terms, the Issuer and the Calculation Agent may, in their discretion:

(x) make such adjustments, as shall be notified to each Holder of the relevant W&C Instruments, to the exercise, settlement, valuation, calculation, payment (including the Specified Currency and/or Settlement Currency) and/or any other Terms and Conditions of the W&C Instrument as the Issuer determines appropriate to (i) (in all cases other than (c) above) preserve the economic terms of such W&C Instruments as of the Issue Date, including, without limitation, making any currency conversion necessary as part of any such adjustment based on the relevant official conversion rate or at an appropriate market rate of exchange determined by the Calculation Agent to be prevailing as of any relevant time and date, or (ii) (in the case of (c) above) account for the material adverse effect on the Hedging Arrangements and in order to effect a commercially reasonable result; or

(y) redeem such W&C Instruments on such day as shall be notified to the relevant Holders and pay an early settlement amount (which shall be the fair market value of the W&C Instruments, taking into account the Currency Substitution Event and its consequences as described above, less any and all costs associated or incurred by the Issuer and/or any of its affiliates or agents in connection with such early settlement, including, without limitation, any costs associated with unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) as determined by the Calculation Agent in its sole and absolute discretion) to the Holder in respect of each W&C Instrument.

For the avoidance of doubt, the circumstances and consequences described in this Condition 7 (*Currency Substitution Event*) and any resulting or alternative adjustments to the exercise, settlement, valuation, calculation, payment and/or any other Terms and Conditions of the applicable W&C Instrument will not entitle any Holder of such W&C Instruments (A) to any

legal remedy, including, without limitation, rescission, repudiation, or renegotiation of the W&C Instrument, or (B) to raise any defence or make any claim (including, without limitation, claims of breach, force majeure, frustration of purpose, or impracticability) or any other claim for compensation, damages, or any other relief.

For the purposes of this Condition 7 (*Currency Substitution Event*):

"**Hedging Arrangements**" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange or (b) other instruments or arrangements (howsoever described) in order to hedge individually or on a portfolio basis the Issuer's obligations under any W&C Instrument.

"**Hedging Party**" means, the Issuer or any of its affiliate(s) or any entity (or entities) acting on the Issuer's behalf engaged in any underlying or hedging transactions relating to any W&C Instrument and/or underlying market measure(s) in respect of the Issuer's obligations under the W&C Instrument.

"**Relevant Governmental Authority**" means, in relation to any Applicable Jurisdiction, any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of such Applicable Jurisdiction.

8. **Cancellation for Tax Reasons and Tax Compliance Reasons**

(A) *Cancellation for Tax Reasons*

The Issuer may cancel the W&C Instruments, in whole, but not in part, at any time at their Early Settlement Amount (as defined in Condition 9 (*Illegality*)), if the Issuer shall determine that any payment or deemed payment as determined for United States tax purposes with respect to the W&C Instruments or with respect to a direct or indirect hedging arrangement entered into by the Issuer or any of its Affiliates relating to the W&C Instruments may be treated as a dividend or "dividend equivalent" for United States tax purposes (such event being a "**U.S. Withholding Tax Event**").

(B) *Cancellation for Tax Compliance Reasons*

The Issuer may, at its option, cancel the W&C Instruments, in whole or in part, at any time, at their Early Settlement Amount, if the Issuer determines in good faith that it has, or there is a substantial likelihood that it will, become subject to withholding imposed on a payment made to it on account of the Issuer's inability to comply with the reporting requirements imposed by the FATCA Provisions, provided that such inability to comply with the reporting requirements is attributable to non-compliance by any Holder of such W&C Instruments (or a foreign withholding agent (if any) in the chain of custody of payments made to the Holders) with the Issuer's requests for certifications or identifying information (such cancellation, a "**Cancellation for Tax Compliance Reasons**"). Upon a Cancellation for Tax Compliance Reasons, W&C Instruments held by compliant Holders, in addition to those held by non-compliant Holders, may be cancelled.

Notice of intention to cancel W&C Instruments will be given in accordance with Condition 12 (*Notices*) not less than 30 calendar days nor more than 60 calendar days prior to the date fixed for cancellation. Payment will be made in such manner as shall be notified to the Holders in accordance with Condition 12 (*Notices*).

9. **Illegality**

In the event that the Issuer determines in good faith that (i) the performance of the Issuer's obligations under the W&C Instruments or that any arrangements made to hedge the Issuer's obligations under the W&C Instruments or (ii) the performance by the Guarantor of any of its obligations under the MLBV/MLICo. Guarantee in respect of the W&C Instruments (except for Secured W&C Instruments to which the MLBV/MLICo. Guarantee does not apply), has or will become, in whole or in part, unlawful, illegal or otherwise contrary to any present or future law,

rule, regulation, judgment, order or directive of any governmental, administrative, legislative, judicial or regulatory authority or powers, or any change in the interpretation thereof that is applicable to the Issuer and/or (if applicable) the Guarantor, the Issuer may, at its discretion, cancel the W&C Instruments by giving notice to Holders in accordance with Condition 12 (*Notices*).

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer cancels the W&C Instruments then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Holder in respect of each W&C Instrument or each Unit, as the case may be, held by such Holder, which amount shall be the fair market value of a W&C Instrument or Unit, as the case may be, notwithstanding such illegality less the cost to the Issuer and/or its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion (the "**Early Settlement Amount**"). Payment will be made in such manner as shall be notified to the Holders in accordance with Condition 12 (*Notices*).

10. Repurchases

The Issuer, (if applicable) the Guarantor or any of their Affiliates may purchase W&C Instruments at any time and from time to time outstanding W&C Instruments by tender in the open market or by private agreement. Such W&C Instruments may be held, reissued, resold or at the option of the Issuer or (if applicable) the Guarantor, surrendered to any W&C Instrument Agent for cancellation.

11. Agents, Determinations, Modifications and Meeting Provisions

(A) *W&C Instrument Agents and Registrar*

The names of the W&C Instrument Agents and the Registrar and their initial specified offices are as set out at the end of these Terms and Conditions.

The Issuer and (if applicable) the Guarantor are entitled to vary or terminate the appointment of any W&C Instrument Agent or the Registrar and/or to appoint additional or other W&C Instrument Agents or Registrars and/or approve any change in the specified office through which any W&C Instrument Agent or Registrar acts, provided that:

(i) at all times there will be a Principal Instrument Agent and a Registrar (which, in the case of the Registrar, shall be an entity with a specified office outside of the United Kingdom);

(ii) so long as any W&C Instruments are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be an W&C Instrument Agent, which may be the Principal Instrument Agent, with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(iii) there will at all times be an W&C Instrument Agent (which may be the Principal Instrument Agent) in a jurisdiction within Europe other than any jurisdiction in which the Issuers or (if applicable) the Guarantor are incorporated;

(iv) so long as any of the W&C Instruments are represented by a Rule 144A Global W&C Instrument held through DTC, there shall be a U.S. Instrument Agent; and

(v) there shall at all times be a Calculation Agent.

Notice of any variation or termination of appointment and of any changes in the specified office of any W&C Instrument Agent or the Registrar will be given to Holders in

accordance with Condition 12 (*Notices*) provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such variation, termination or changes.

In acting under the English Law Agency Agreement, each W&C Instrument Agent and the Registrar acts solely as agent of the Issuer and (if applicable) the Guarantor and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders and any determinations and calculations by the W&C Instrument Agents or Registrar in respect of the W&C Instruments shall (save in the case of manifest or proven error) be final, conclusive and binding on the Issuer, (if applicable) the Guarantor and the Holders.

(B) *Calculation Agent*

In relation to each issue of W&C Instruments, the Calculation Agent (whether it be Merrill Lynch International, BofA Securities Europe SA or another entity) acts solely as agent of the Issuer and (if applicable) the Guarantor and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the W&C Instruments by the Calculation Agent shall be in its sole and absolute discretion (unless, in respect of the particular calculation or determination to be made, the Terms and Conditions provide that it shall be made in a "commercially reasonable manner"), in good faith, and shall (save in the case of manifest or proven error) be final, conclusive and binding on the Issuer, (if applicable) the Guarantor, the W&C Instrument Agents and the Holders. The Calculation Agent shall promptly notify the Issuer and the Principal Instrument Agent upon any such calculations and determinations, and (in the absence of wilful default, bad faith or manifest or proven error) no liability to the Issuer, (if applicable) the Guarantor, the W&C Instrument Agents or the Holders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a suitably competent third party of good standing as it deems appropriate.

(C) *Determinations by the Issuer*

Any determination made by the Issuer pursuant to these Terms and Conditions shall (save in the case of manifest or proven error) be final, conclusive and binding on the W&C Instrument Agents, the Registrar and the Holders.

(D) *Modifications and Meetings Provisions*

The English Law Agency Agreement contains provisions for convening meetings of the Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Terms and Conditions of the W&C Instruments or any of the provisions of the English Law Agency Agreement. Such a meeting may be convened by the Issuer or (if applicable) the Guarantor and shall be convened by the Issuer if required in writing by the Holders holding not less than 33 per cent. (by number) of the W&C Instruments of the relevant Series for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons present and holding or representing in the aggregate not less than 50 per cent. (by number) of the W&C Instruments of the relevant Series for the time being unexercised, or at any adjourned meeting one or more persons present whatever the number of the W&C Instruments so held or represented by them, except that at any meeting the business of which includes the modification of certain provisions of the Terms and Conditions of the W&C Instruments (including modifying the Exercise Date, reducing or cancelling the Cash Settlement Amount or the Entitlement or the additional amount payable (if applicable) or altering the Cash Settlement Currency), the quorum shall be one or more persons present and holding or representing not less than two-thirds (by number) of the W&C Instruments of the relevant Series for the time being unexercised, or at any adjourned such meeting one or more persons present and holding

or representing not less than one-third (by number) of the W&C Instruments of the relevant Series for the time being unexercised. An Extraordinary Resolution passed at any meeting of the Holders shall be binding on all Holders, whether or not they are present at the meeting.

An Extraordinary Resolution may also be effected in writing signed or electronically approved using the systems or procedures in place from time to time at a relevant clearing system by or on behalf of all the Holders.

The relevant W&C Instrument Agents and each Issuer may agree, without the consent of the Holders, to:

(a) any modification (except as mentioned above) of the W&C Instruments or English Law Agency Agreement which is not prejudicial to the interests of the Holders; or

(b) any modification of the W&C Instruments or the English Law Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Holders and any such modification shall be notified to the Holders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

12. **Notices**

(a) In the case of W&C Instruments represented by a Global W&C Instrument, all notices to Holders shall be valid: (i) if delivered to each relevant Clearing System, for communication by them to the Holders; (ii) if and so long as the W&C Instruments are admitted to trading on, and listed on any stock exchange or are admitted to trading by another relevant authority, if delivered in accordance with the rules and regulations of the relevant stock exchange or other relevant authority; and (iii) as otherwise specified in the applicable Final Terms.

If the W&C Instruments are admitted to trading on the Luxembourg Stock Exchange's Euro MTF and listed on the Official List of the Luxembourg Stock Exchange, notices shall be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

(b) In the case of Definitive W&C Instruments, notices to the Holders will be deemed to be validly given if posted to the Holders of such Definitive W&C Instruments at their respective addresses in the Register.

Any such notice shall be deemed to have been given: (i) in the case of W&C Instruments admitted to trading on the Luxembourg Stock Exchange's Euro MTF and listed on the Official List of the Luxembourg Stock Exchange, on the date of first publication, or where required to be published in more than one newspaper, on the date of the first publication in all required newspapers; (ii) in the case of W&C Instruments which are held through a Clearing System, on the day on which such notice is delivered to the relevant Clearing System; (iii) in the case of W&C Instruments which are not held through a Clearing System, on the second Business Day following such publication; (iv) or in the case of Definitive W&C Instruments, if sent by post, on the fourth weekday (being a day other than Saturday or Sunday) after the date of mailing.

13. **Expenses and Taxation**

(a) A Holder of W&C Instruments must pay all taxes, duties and/or expenses, including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such W&C Instruments and/or, if applicable, the delivery of the Entitlement pursuant to the terms of such W&C Instruments (together "**Expenses**").

(b) The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any W&C Instrument by any person and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

14. **Further Issues**

The Issuer shall be at liberty from time to time without the consent of Holders to create and issue further W&C Instruments so as to be consolidated with and form a single Series with the outstanding W&C Instruments.

15. **Substitution of the Issuer, Consolidation and Merger**

(A) *Substitution of the Issuer*

The Issuer, or any previous substituted company or other entity, may, at any time, without the consent of the Holders, substitute for itself as principal obligor under the W&C Instruments any company or other entity (the "**Substitute**") being the Guarantor or any of its other subsidiaries, subject to:

(i) (except in the case of the substitution of the Guarantor), the W&C Instruments (other than the Secured W&C Instruments) being guaranteed by the Guarantor on the same terms, *mutatis mutandis*, as the W&C Instruments (other than the Secured W&C Instruments);

(ii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the W&C Instruments represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and are in full force and effect;

(iii) the Substitute shall have become party to the English Law Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;

(iv) the Substitute and the Issuer shall have obtained legal opinions from independent legal advisers of recognised standing in the country of incorporation or other form of organisation of the Substitute, and (if the Guarantor is not the Substitute and other than in respect of Secured W&C Instruments) the States of Delaware and New York and England, that the obligations of the Substitute and (if the Guarantor is not the Substitute and other than in respect of Secured W&C Instruments) the Guarantor are legal, valid and binding obligations, that all consents and approvals as aforesaid have been obtained;

(v) the Issuer shall have given at least 30 calendar days' prior notice of the date of such substitution to the Holders in accordance with Condition 12 (*Notices*);

(vi) each stock exchange or market on which the W&C Instruments are listed or admitted to trading shall have confirmed that, following the proposed substitution by the Substitute, the W&C Instruments will continue to be listed or admitted to trading on such stock exchange(s) or such market(s), as the case may be; and

(vii) if appropriate, the Substitute shall have appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the W&C Instruments.

(B) *Consolidation or Merger*

The Issuer or (if applicable) the Guarantor may not consolidate with, or sell or convey all or substantially all of its assets to, or merge with or into any other entity, other than in the case of the Guarantor, a sale or conveyance of all or substantially all of its assets to one or more Subsidiaries (as defined below), unless (a) in the case of the Issuer, either

the Issuer shall be the continuing company, or the successor entity (if other than the Issuer) shall expressly assume the due and punctual payment of all amounts or delivery of all assets, as the case may be, payable or deliverable, as applicable, with respect to the W&C Instruments, according to their tenor, and the due and punctual performance and observance of all of the obligations under the Conditions to be performed by the Issuer by an amendment to the English Law Agency Agreement executed by, *inter alios*, such successor entity, the Guarantor and the Principal Instrument Agent, and (b) in the case of the Guarantor and, with respect to W&C Instruments other than Secured W&C Instruments, the Guarantor shall be the continuing company, or the successor entity (if other than the Guarantor) shall be organised and existing under the laws of the United States or a state thereof or the District of Columbia and such successor entity shall expressly assume (i) the due and punctual payment of all amounts or delivery of all assets, as the case may be, payable or deliverable, as applicable, with respect to the MLBV/MLICo. Guarantee by the execution of a new guarantee of like tenor. In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor entity, such successor entity shall succeed to and be substituted for the Issuer or (if applicable) the Guarantor, as the case may be, with the same effect as if it had been named herein as the Issuer or (if applicable) the Guarantor, as the case may be, and the Issuer or (if applicable) the Guarantor, as the case may be, except in the event of a conveyance by way of lease, shall be relieved of any further obligations under the Conditions, the English Law Agency Agreement and (if applicable) the MLBV/MLICo. Guarantee, as applicable.

"**Subsidiary**" means any entity of which more than 50% of the voting power of the outstanding ownership interests (excluding ownership interests entitled to voting power only by reason of the happening of a contingency) shall at the time be owned, directly or indirectly, by the Guarantor, or one or more Subsidiaries, or by the Guarantor and one or more Subsidiaries. For this purpose, "**voting power**" means power to vote in an ordinary election of directors (or, in the case of an entity that is not a corporation, ordinarily to appoint or approve the appointment of entities holding similar positions).

(C) *Transfer Upon Insolvency*

Nothing in this Condition 15 (*Substitution of the Issuer, Consolidation and Merger*) shall prohibit the transfer of the MLBV/MLICo. Guarantee or any interest or obligation of the Guarantor in or under the MLBV/MLICo. Guarantee to another entity as transferee as part of the resolution, restructuring, or reorganisation of the Guarantor upon or following the Guarantor becoming subject to a receivership, insolvency, liquidation, resolution, or similar proceeding.

16. Governing Law and Submission to Jurisdiction

(A) *Governing law*

The W&C Instruments, Global W&C Instruments, Definitive W&C Instruments, the English Law Agency Agreement and the W&C Instruments Deed of Covenant and any non-contractual obligations arising out of the W&C Instruments, Global W&C Instruments, Definitive W&C Instruments, the English Law Agency Agreement and the W&C Instruments Deed of Covenant (including without limitation any dispute, controversy, proceedings or claim of whatever nature (whether contractual, non-contractual or otherwise) arising out of or in any way relating to the W&C Instruments, Global W&C Instruments, Definitive W&C Instruments, the English Law Agency Agreement and the W&C Instruments Deed of Covenant or their respective formation) shall be governed by, and construed in accordance, with English law.

The MLBV/MLICo. Guarantee is governed by, and shall be construed in accordance with, the laws of the State of New York, United States, applicable to agreements made and to be performed wholly within such jurisdiction without regard to principles of conflicts of laws.

(B) *Submission to jurisdiction*

In relation to any legal action or proceedings arising out of or in connection with the W&C Instruments and the Global W&C Instruments ("**Proceedings**"), the courts of England have exclusive jurisdiction and the Issuer and the Holders submit to the exclusive jurisdiction of the English courts. The Issuer and the Holders waive any objection to Proceedings in the English courts on the grounds of venue or that the Proceedings have been brought in an inconvenient forum.

For greater certainty, the Guarantor has not submitted to the jurisdiction of the English courts in the MLBV/MLICo. Guarantee, and claims under the MLBV/MLICo. Guarantee are required to be instituted in the courts of the State of New York or the courts of the United States of America located in the Borough of Manhattan in the City and State of New York, United States.

(C) *Express Acknowledgement of the U.S. Special Resolution Regimes*

In the event the Issuer, the Guarantor or, in respect of Secured Instruments, the Secured Instruments Collateral Provider, becomes subject to a proceeding under the U.S. Federal Deposit Insurance Act or Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (each, a "**U.S. Special Resolution Regime**"), the transfer of the Instruments and/or the MLBV/MLICo. Guarantee (together, the "**Relevant Obligations**"), and the transfer of any interest and obligation in or under, and any property securing, the Relevant Obligations, from the Issuer, the Guarantor or, in respect of Secured Instruments, the Secured Instruments Collateral Provider, respectively, will be effective to the same extent as the transfer would be effective under such U.S. Special Resolution Regime if the Relevant Obligations, and any interest and obligation in or under, and any property securing, the Relevant Obligations, were governed by the laws of the United States or a state of the United States. In the event the Issuer, the Guarantor or, in respect of Secured Instruments, the Secured Instruments Collateral Provider, or any of their affiliates (as such term is defined in, and interpreted in accordance with, 12 U.S.C. § 1841(k)) becomes subject to a proceeding under a U.S. Special Resolution Regime, default rights against the Issuer, the Guarantor or, in respect of Secured Instruments, the Secured Instruments Collateral Provider, with respect to the Relevant Obligations are permitted to be exercised to no greater extent than such default rights could be exercised under such U.S. Special Resolution Regime if the Relevant Obligations were governed by the laws of the United States or a state of the United States. For purposes of this paragraph, "default right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. § 252.81, 12 C.F.R. § 382.1 and 12 C.F.R. § 47.1, as applicable.

(D) *Appointment of Process Agent*

Each Issuer hereby appoints Bank of America, National Association, London Branch currently at 2 King Edward Street, London EC1A 1HQ (Att: General Counsel EMEA) as its agent in England to receive service of process in any Proceedings in England. If for any reason such process agent ceases to act as such or no longer has an address in England, each Issuer agrees to appoint a substitute process agent and to notify the Holders of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

17. Adjustments for European Economic and Monetary Union

The Issuer may, without the consent of the Holders, on giving notice to the Holders in accordance with Condition 12 (*Notices*):

(a) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the W&C Instruments shall be redenominated in euro.

The election will have effect as follows:

(i) where the Settlement Currency of the W&C Instruments is the National Currency Unit of a country which is participating in the third stage of European Economic

and Monetary Union, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Calculation Agent may decide and as may be specified in the notice, and after the Adjustment Date, all payments of the Cash Settlement Amount in respect of the W&C Instruments will be made solely in euro as though references in the W&C Instruments to the Settlement Currency were to euro;

(ii) where the Exchange Rate and/or any other terms of these Terms and Conditions are expressed in or, in the case of the Exchange Rate, contemplate the exchange from or into, the currency (the "**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union, such Exchange Rate and/or any other terms of these Terms and Conditions shall be deemed to be expressed in or, in the case of the Exchange Rate, converted for or, as the case may be into, euro at the Established Rate; and

(iii) such other changes shall be made to these Terms and Conditions as the Issuer may decide, in its sole and absolute discretion to conform them to conventions then applicable to instruments expressed in euro; and/or

(b) require that the Calculation Agent make such adjustments to the Multiplier and/or, in the case of Warrants, the Exercise Price and/or any other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent, in its sole discretion, may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union on the Multiplier and/or, in the case of Warrants, the Exercise Price and/or such other terms of these Terms and Conditions.

Notwithstanding the foregoing, none of the Issuer, any of its Affiliates or agents, the Calculation Agent, any W&C Instrument Agent and the Registrar shall be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

In this Condition, the following expressions have the following meanings:

"**Adjustment Date**" means a date specified by the Issuer in the notice given to the Holders pursuant to this Condition which falls on or after the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty;

"**Established Rate**" means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to first sentence of Article 1091(4) of the Treaty;

"**euro**" means the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time);

"**National Currency Unit**" means the unit of the currency of a country, as those units are defined on the date on which the country of the Original Currency first participates in European Economic and Monetary Union; and

"**Treaty**" means the treaty establishing the European Community, as amended from time to time.

18. **Contracts (Rights of Third Parties) Act 1999**

The W&C Instruments do not confer on any third party any rights under the Contracts (Rights of Third Parties) Act 1999 (the "**Act**") to enforce any term of the W&C Instruments, but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

19. **Determination of Rate Reference Items**

If so specified in the applicable Final Terms, amounts payable or any determination required to be made in respect of a Series of W&C Instruments may be determined directly or indirectly by reference to BBSW, TORF, the EUR EURIBOR ICE Swap Rate®, the GBP SONIA ICE Swap Rate®, the U.S. Dollar SOFR ICE Swap Rate®, the Tokyo Swap Rate (for swaps referencing TONA) or TONA TSR, the KRW CMS Rate, a Constant Maturity Swap Rate, Compounded Daily SOFR, Compounded Daily SONIA, Compounded Daily TONA, SOFR, SONIA and/or TONA (each as defined in Annex 17 and, together, the "**Rate Reference Items**"). In such case, unless otherwise specified in the applicable Final Terms, the applicable Rate Reference Item(s) set forth in the applicable Final Terms will be determined, with respect to the applicable Series of W&C Instruments, in accordance with the Additional Note Conditions that are specified in Annex 17 and/or the applicable Final Terms to be applicable to the applicable Rate Reference Items(s) and W&C Instruments with payments that are to be determined by reference thereto, as and subject to completion and/or amendment in the applicable Final Terms.

20. **Terms applicable to Warrants only**

Conditions 21 (*Definitions (Warrants)*), 22 (*Form of Warrants*), 23 (*Style and Title (Warrants)*), 24 (*Exercise Rights (Warrants)*), 25 (*Exercise Procedure (Warrants)*) and 26 (*Additional Amounts*) apply to Warrants only.

21. **Definitions (Warrants)**

For the purposes of the Warrants:

"**Exercise Business Day**" means a day that is a Business Day and, in the case of an Index Linked Warrant or Share Linked Warrant, a Scheduled Trading Day.

"**Exercise Period**" has the meaning given in the applicable Final Terms.

"**Expiration Date**" means the last Exercise Business Day of the Exercise Period.

"**Index Linked Warrant**" means a Warrant relating to a specified index or a basket of indices.

"**In-The-Money**" means:

(a) in the case of a Cash Settled Warrant, the Cash Settlement Amount in respect of such Warrant is greater than zero; and

(b) in the case of a Physical Delivery Warrant, the value of the Entitlement on the Actual Exercise Date for such Warrant is greater than the Exercise Price as determined by the Calculation Agent.

"**Physical Delivery Warrant**" means a Warrant redeemed by physical delivery; and

"**Share Linked Warrant**" means a Warrant relating to a specified share or a basket of shares.

22. **Form of Warrants**

If the Warrants are to be issued into and transferred through accounts at Euroclear and Clearstream, Luxembourg, and are not eligible for sale in the United States or to, or for the account or benefit of, U.S. persons, such Series of Warrants will on issue be constituted by a global registered warrant (the "**Euroclear/CBL Global Registered Warrant**"), which will be deposited with, and registered in the name of the nominee of, the Common Depositary.

The Euroclear/CBL Global Registered Warrants are referred to herein as the "**Global Warrants**" and each a "**Global Warrant**".

Euroclear/CBL Global Registered Warrants will be exchangeable in whole, but not in part, for individual warrant certificates:

(a) on the expiry of such period of notice as may be specified in the applicable Final Terms; or

(b) at any time, if so specified in the applicable Final Terms; or

(c) if the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available; or

(d) the Issuer or the Guarantor has or will become subject to adverse tax consequences which would not be suffered were the Warrants held in definitive form.

Whenever the Euroclear/CBL Global Registered Warrant is to be exchanged for individual warrant certificates, such individual warrant certificates shall be issued in equal number to the number of Warrants represented by the Global Warrant within five Business Days of the delivery, by or on behalf of the registered holder of the Euroclear/CBL Global Registered Warrant to the Principal Warrant Agent of such information as is required to complete and deliver such individual warrant certificates (including, without limitation, the names and addresses of the persons in whose names the individual warrant certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Euroclear/CBL Global Registered Warrant at the specified office of the Principal Warrant Agent.

Such exchange will be effected in accordance with the provisions of the English Law Agency Agreement and the regulations concerning the transfer and registration of Warrants scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Principal Warrant Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

(a) individual warrant certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth calendar day after they are due to be issued and delivered in accordance with the terms of the Euroclear/CBL Global Registered Warrant; or

(b) the date for final settlement of the Warrants has occurred and payment in full of all amounts due has not been made to the Holder of the Euroclear/CBL Global Registered Warrant on the due date for payment in accordance with the terms of the Euroclear/CBL Global Registered Warrant,

then the Euroclear/CBL Global Registered Warrant (including the obligation to deliver individual warrant certificates) will become void at 5.00 p.m. (London time) on such thirtieth calendar day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the holder of the Euroclear/CBL Global Registered Warrant will have no further rights thereunder (but without prejudice to the rights which the holder of the Euroclear/CBL Global Registered Warrant or others may have under the W&C Instruments Deed of Covenant). Under the W&C Instruments Deed of Covenant, each Holder is entitled to exercise or enforce in respect of each Warrant held by him, the rights and obligations attaching to the relevant Warrant as set out in, and subject to, the W&C Instruments Deed of Covenant, the Conditions and the applicable Final Terms issued in respect of such Warrants.

23. Style and Title (Warrants)

(A) *Style*

The applicable Final Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**") or European style Warrants ("**European Style Warrants**") or such other type as may be specified in the applicable Final Terms and whether automatic exercise ("**Automatic Exercise**") applies to the Warrants or such other type as may be specified in the applicable Final Terms and whether the Warrants

may only be exercised in Units. If Units are specified in the applicable Final Terms, Warrants must be exercised in Units and any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

(B) *Definitive Registered Warrants*

(i) *Transfers of Definitive Registered Warrants*

Transfers of Definitive Registered Warrants are effected upon (i) the surrender (at the specified office of the Principal Warrant Agent) of the individual warrant certificates representing such Definitive Registered Certificates to be transferred, together with the form of transfer (which shall be available at the specified office of the Principal Warrant Agent) endorsed on such individual warrant 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 other evidence as the Principal Warrant Agent may reasonably require, (ii) the recording of such transfer in the Register and (iii) the issuance of a new individual warrant certificate to the transferee.

(ii) *Part Transfer of Definitive Registered Warrants*

In the case of a transfer of part only of a holding of a Definitive Registered Warrant represented by one individual warrant certificate a new individual warrant certificate shall be issued to the transferee in respect of the part transferred and a further new individual certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(C) *Delivery of New Individual Warrant Certificates*

Each new individual warrant certificate to be issued pursuant to this Condition 23 (*Style and Title (Warrants)*) shall be available for delivery within three Business Days of receipt of the form of transfer and surrender of the individual warrant certificate for exchange. Delivery of the new individual warrant certificate(s) shall be made at the specified office of the Principal Warrant Agent, to whom delivery or surrender of such request for exchange, form of transfer, or individual warrant 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 request for exchange, form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new individual warrant certificate to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Principal Warrant Agent, the costs of such other method of delivery and/or such insurance as it may specify.

(D) *Closed Periods in respect of Definitive Registered Warrants*

No Holder may require the transfer of a Definitive Registered Warrant to be registered:

(i) during the period of 15 calendar days before any date on which Warrants may be called for automatic exercise by the Issuer at its option pursuant to Condition 24(D) (*Issuer Call Option*);

(ii) after any such Warrant has been called for automatic exercise, cancellation or settlement; or

(iii) during the period of seven calendar days ending on (and including) any Record Date and/or Additional Amount Payment Record Date.

(E) *Exchange Free of Charge*

Exchange and transfer of Warrants on registration, transfer, automatic exercise, settlement, cancellation or exercise of an option (as applicable) shall be effected without charge by or on behalf of the Issuer or the Principal Warrant Agent, as applicable, 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 Principal Warrant Agent may require).

24. **Exercise Rights (Warrants)**

(A) *Exercise Period*

(a) American Style Warrants

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period.

If Automatic Exercise is not specified in the applicable Final Terms, in the case of Warrants represented by a Global Warrant, any such American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 25 (*Exercise Procedure (Warrants)*), at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date, shall become void.

If Automatic Exercise is specified in the applicable Final Terms, in the case of Warrants represented by a Global Warrant, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25 (*Exercise Procedure (Warrants)*), at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date and which is in the determination of the Calculation Agent "In-The-Money" shall be automatically exercised on the Expiration Date, but payment or delivery of the Entitlement is subject to the delivery of a duly completed Exercise Notice as set forth in Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*). In such event, the provisions of Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*) shall apply.

In the case of Warrants represented by a Global Warrant, the Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m., Brussels or Luxembourg time (as appropriate), to Euroclear or Clearstream, Luxembourg, as the case may be, and, a copy thereof is delivered to Merrill Lynch International or BofA Securities Europe SA, as the case may be, and the Principal Warrant Agent, in each case as provided in Condition 25 (*Exercise Procedure (Warrants)*), or, if Automatic Exercise is specified in the applicable Final Terms and the Warrants are automatically exercised on the Expiration Date as provided above, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by Euroclear or Clearstream, Luxembourg, as the case may be, or if a copy thereof is delivered to Merrill Lynch International or BofA Securities Europe SA, as the case may be, and the Principal Warrant Agent, in each case, after 10.00 a.m., Brussels or Luxembourg time (as appropriate), on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 25 (*Exercise Procedure (Warrants)*) at or prior to 10.00 a.m. Brussels or Luxembourg (as appropriate) on the Expiration Date shall (i) if Automatic Exercise is not specified in the applicable Final Terms, become void or (ii) if Automatic Exercise is specified in the applicable Final Terms, be automatically exercised or expire on the Expiration Date as provided above and in Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*).

The expressions "exercise", "due exercise" and related expressions shall be construed to apply to any Warrants which are automatically exercised on the Expiration Date in accordance with this provision.

(b) European Style Warrants other than Credit Linked Warrants

European Style Warrants are only exercisable on the Exercise Date.

In the case of Warrants represented by a Global Warrant, if Automatic Exercise is not specified in the applicable Final Terms, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25 (*Exercise Procedure (Warrants)*), at or prior to 10.00 a.m., Brussels or Luxembourg time (as appropriate) on the Actual Exercise Date, shall become void. If Automatic Exercise is specified in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25 (*Exercise Procedure (Warrants)*), at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Actual Exercise Date and which is in the determination of the Calculation Agent "In-The-Money", shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*) shall apply.

The expressions "exercise", "due exercise" and related expressions shall be construed to apply to any Warrants which are automatically exercised on the Actual Exercise Date in accordance with this provision.

(c) Credit Linked Warrants

Credit Linked Warrants shall be automatically exercised on the Long Exercise Date or the Short Exercise Date (as the case may be) in accordance with Credit Linked W&C Instruments Condition 3.

(B) *Cash Settlement*

In the case of Warrants which are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, entitles its holder, upon due exercise, to receive from the Issuer on the Settlement Date the Cash Settlement Amount.

(C) *Physical Settlement*

If the Warrants are Physical Delivery Warrants (except for Rule 144A Warrants), each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its holder, upon due exercise, and, subject to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date the Entitlement or, in the case of Credit Linked Warrants, Delivery of the Deliverable Obligations comprising the Entitlement, subject to payment of the relevant Exercise Price, if any, and any other Expenses or sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms.

Unless otherwise specified in the applicable Final Terms, Warrants or Units, as the case may be, exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in its sole and absolute discretion shall be paid to the Holder.

Following exercise of a Share Linked Warrant or an Index Linked Warrant which is a Physical Delivery Warrant, all dividends on the relevant Shares or Fund Shares (as the case may be) to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares or Fund Shares (as the case may be) executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Shares or Fund Shares (as the case may be). Any such dividends to be paid

to a Holder will be paid to the account specified by the Holder in the relevant Exercise Notice as referred to in Condition 25(A)(a)(2)(v).

All references in this Condition to "Brussels or Luxembourg time" shall, where W&C Instruments are cleared through an additional or alternative clearing system, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

(D) *Issuer Call Option*

If Issuer Call Option is specified as applicable in the applicable Final Terms, the Issuer, having given not less than 10 nor more than 60 calendar days' notice (or such other Issuer Call Option Notice Period as is set out in the applicable Final Terms) to the Holders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), may elect that all (but not less than all) of the Warrants will be automatically exercised on the Call Option Date. If Call Option Cash Settlement is specified as applicable in the applicable Final Terms, notwithstanding any provision to the contrary in the Terms and Conditions and/or the applicable Final Terms (a) if the Warrants are not Cash Settled Warrants, the Warrants shall be deemed to be Cash Settled Warrants and (b) the Cash Settlement Amount shall be the Call Option Cash Settlement Amount specified in the applicable Final Terms.

If the Warrants are automatically exercised on the Call Option Date, (i) the Call Option Date shall be deemed to be the Expiration Date (in the case of American Style Warrants) or the Exercise Date (in the case of European Style Warrants), (ii) the provisions of Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*) shall apply, (iii) the provisions of Conditions 25(C) shall apply and (iv) the expressions "exercise", "due exercise" and related expressions shall be construed to apply to any Warrants which are automatically exercised on the Call Option Date in accordance with this provision.

(E) *Mandatory Early Exercise*

If Mandatory Early Exercise is specified as applicable in the applicable Final Terms and a Mandatory Early Exercise Event occurs, all (but not less than all) of the Warrants will be automatically exercised on the Mandatory Early Exercise Date. If Mandatory Early Exercise Cash Settlement is specified as applicable in the applicable Final Terms, notwithstanding any provision to the contrary in the Terms and Conditions and/or the applicable Final Terms (a) if the Warrants are not Cash Settled Warrants, the Warrants shall be deemed to be Cash Settled Warrants and (b) the Cash Settlement Amount shall be the Mandatory Early Exercise Cash Settlement Amount specified in the applicable Final Terms, which shall be payable on the Mandatory Early Exercise Cash Settlement Date.

If the Warrants are automatically exercised on the Mandatory Early Exercise Date, (i) the Mandatory Early Exercise Date shall be deemed to be the Expiration Date (in the case of American Style Warrants) or the Exercise Date (in the case of European Style Warrants), (ii) the provisions of Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*) shall apply, (iii) the provisions of Conditions 25(C) shall apply and (iv) the expressions "exercise", "due exercise" and related expressions shall be construed to apply to any Warrants which are automatically exercised on the Mandatory Early Exercise Date in accordance with this provision.

25. **Exercise Procedure (Warrants)**

(A) *Exercise Notices*

(a) Warrants represented by a Euroclear/CBL Global Registered Warrant

Subject as provided in Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*), Warrants represented by a Euroclear/CBL Global Registered Warrant may only be exercised by the sending of an authenticated instruction by SWIFT message or by any other authorised communication channel, in accordance with Euroclear and/or Clearstream, Luxembourg's rules

and operating procedures (an "**Exercise Notice**") which includes the information set out in the English Law Agency Agreement (copies of which are available for viewing and can be obtained during normal business hours at the specified offices of the relevant W&C Instrument Agents) to Euroclear or Clearstream, Luxembourg, as the case may be in accordance with the provisions of Condition 24 (*Exercise Rights (Warrants)*) and this Condition. Euroclear and Clearstream, Luxembourg will send copies of any Exercise Notices so received to the Principal Warrant Agent and the Principal Warrant Agent will send such copies to Merrill Lynch International or BofA Securities Europe SA (as applicable).

(1) In the case of Cash Settled Warrants, the Exercise Notice shall, unless otherwise agreed:

(i) specify the ISIN of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;

(ii) specify the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with the Warrants being exercised;

(iii) irrevocably instruct Euroclear or Clearstream, Luxembourg, as the case may be, to debit on or before the Settlement Date the Holder's account with the Warrants being exercised;

(iv) specify the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised and include an authorisation for Euroclear or Clearstream, Luxembourg to disclose such number of the Holder's account to the Principal Warrant Agent;

(v) where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and

(vi) authorise the production of such Exercise Notice in applicable administrative or legal proceedings, all as provided in the English Law Agency Agreement.

(2) In the case of Physical Delivery Warrants, the Exercise Notice shall:

(i) specify the ISIN of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;

(ii) specify the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with the Warrants being exercised;

(iii) irrevocably instruct Euroclear or Clearstream, Luxembourg, as the case may be, to debit on or before the Settlement Date the Holder's account with the Warrants being exercised;

(iv) irrevocably instruct Euroclear or Clearstream, Luxembourg, to debit on the Actual Exercise Date a specified account of the Holder with Euroclear or Clearstream, Luxembourg, as the case may be, with the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be, (together with any other amounts payable);

(v) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Holder's account with Euroclear or Clearstream, Luxembourg, as the case may be, to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event and the Issuer electing to pay the Disruption Cash Settlement Price or the occurrence of a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Failure to Deliver Settlement Price as applicable, or in respect of any Partial Cash Settlement Amount;

(vi) in the case of FX Linked Warrants only, specify the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be credited with the amount due upon exercise of the Warrants;

(vii) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person, such Warrants were not held on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with such exercise and, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and

(viii) authorise the production of such Exercise Notice in any applicable administrative or legal proceedings,

all as provided in the English Law Agency Agreement.

(3) If Condition 5(C) applies, the information required to be provided in the Exercise Notice will be different from that set out above. Copies of such information required for this Exercise Notice may be obtained from Euroclear, Clearstream, Luxembourg and the relevant W&C Instrument Agents.

(4) If Automatic Exercise is specified in the Final Terms, an Exercise Notice is not required for Cash Settled Warrants provided that such Warrants are not Rule 144A Warrants.

(b) Irrevocable Election

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Holder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Holder may not transfer such Warrants.

(B) *Verification of the Holder*

In the case of Warrants represented by a Euroclear/CBL Global Registered Warrant, upon receipt of a valid Exercise Notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person exercising the Warrants is the holder thereof according to the books of Euroclear or Clearstream, Luxembourg, as the case may be. Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Principal Warrant Agent and, in the case of Warrants represented by a Euroclear/CBL Global Registered Warrant, the Registrar, the ISIN and the amount of

Warrants being exercised, the account number of the exercising Holder, a confirmation of the exercising Holder's certification (in the case of Physical Delivery Warrants) and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement in respect of each Warrant or Unit, as the case may be, being exercised. Upon receipt of such confirmation, the Principal Warrant Agent will inform the Issuer and, in the case of Warrants represented by a Euroclear/CBL Global Registered Warrant, the Registrar. Euroclear or Clearstream, Luxembourg, as the case may be, will on or before the Settlement Date debit the account of the relevant Holder with the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Euroclear/CBL Global Registered Warrant, the Common Depositary will, on the instructions of, and on behalf of, the Principal Warrant Agent, note such exercise on the Schedule to such Euroclear/CBL Global Registered Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

(C) *Settlement*

(a) Cash Settled Warrants

In the case of Warrants represented by a Global Warrant, the Issuer or, failing the Issuer and, with respect to Warrants other than Secured W&C Instruments, the Guarantor, through the relevant W&C Instrument Agent, shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the Holder's account specified in the relevant Exercise Notice (or, if an Exercise Notice is not required, to the Holder's account specified in the Euroclear and/or Clearstream's records) for value on the Settlement Date less any Expenses not already paid.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

(b) Physical Delivery Warrants

Subject to payment of the aggregate Exercise Prices, if any, and payment of any Expenses with regard to the relevant Warrants or Units, as the case may be, the Issuer shall on the Settlement Date deliver, or procure the delivery of, the Entitlement, or, in the case of Credit Linked Warrants, Deliver, or procure the Delivery of the Deliverable Obligations comprising the Entitlement, for each duly exercised Warrant or Unit, as the case may be, pursuant to the details specified in the Exercise Notice subject as provided in Condition 24(C).

Unless otherwise specified in the applicable Final Terms, the Entitlement will be evidenced by the delivery of the Entitlement to the securities account with such clearing system (the "**Physical Delivery Clearing System**") or in such other manner as shall have been specified by the Holder in the relevant Exercise Note. The Issuer, Guarantor and Calculation Agent shall be under no obligation to register or procure the registration of a Holder in the register of members/holders of the Share Company or Fund (as the case may be).

Unless otherwise specified in the applicable Final Terms, the Entitlement will be delivered to such securities account with such Physical Delivery Clearing System or in such other manner as shall have been specified by the Holder in the relevant Exercise Notice, provided that, if, in the opinion of the Issuer, delivery of the Entitlement to the Holder in the manner specified by the Holder or through the Physical Delivery Clearing System specified by the Holder is not commercially reasonable, the Issuer shall deliver the Entitlement to the Holder through a clearing system which the Issuer determines to be commercially reasonable for such delivery and references to "Physical Delivery Clearing System" shall be deemed to be references to such clearing system selected by the Issuer. For the avoidance of doubt, the Issuer or the Guarantor will be fully discharged of any

and all obligations with respect to delivery of the Entitlement by making delivery in the manner specified by the Holder in the relevant Exercise Notice.

(D) *Determinations*

Any determination as to whether an Exercise Notice is duly completed and in proper form shall, in the case of Warrants represented by a Global Warrant, be made by the Principal Warrant Agent or, in the case of Warrants represented by a Euroclear/CBL Global Registered Warrant, Euroclear or Clearstream, Luxembourg, as the case may be, in consultation with the Principal Warrant Agent and shall be conclusive and binding on the Issuer, the relevant W&C Instrument Agents and the relevant Holder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not sent to Merrill Lynch International or BofA Securities Europe SA, as the case may be, by the Principal Warrant Agent, immediately after being delivered or sent to Euroclear and/or Clearstream, Luxembourg, as the case may be, shall be null and void.

If such Exercise Notice is subsequently corrected to the satisfaction of the Principal Warrant Agent or, in the case of Warrants represented by a Euroclear/CBL Global Registered Warrant, Euroclear or Clearstream, Luxembourg in consultation with the Principal Warrant Agent it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to Euroclear or Clearstream or Luxembourg, as the case may be, with a copy to the Principal Warrant Agent, in the case of Warrants represented by a Euroclear/CBL Global Registered Warrant, and Merrill Lynch International or BofA Securities Europe SA, as the case may be.

If Automatic Exercise is not specified in the applicable Final Terms, any Warrants with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in Condition 24(A)(a), in the case of American Style Warrants, or Condition 24(A)(b), in the case of European Style Warrants, shall become void.

Euroclear and/or Clearstream, Luxembourg, as the case may be, shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with the Principal Warrant Agent, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, the W&C Instrument Agents, Euroclear and/or Clearstream, Luxembourg shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

(E) *Automatic Exercise*

This paragraph only applies to Warrants (i) if Automatic Exercise is specified in the applicable Final Terms and the Warrants are automatically exercised as provided in Condition 24(A)(a), Condition 24(A)(b) or Condition 24(A)(c) or (ii) the Warrants are automatically exercised pursuant to Condition 24(D).

Except as provided below in the last paragraph of this Condition 25(E), in order to receive the Cash Settlement Amount, if the Warrants are Cash Settled Warrants, or the Entitlement, if the Warrants are Physical Delivery Warrants, in respect of a Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be, the relevant Holder must in the case of Warrants represented by a Euroclear/CBL Global Registered Warrant send a duly completed Exercise Notice to Euroclear or Clearstream, Luxembourg, as the case may be on any Business Day until not later than 10.00 a.m., Brussels or Luxembourg time (as appropriate), on the day (the "**Cut-Off Date**") falling 180 calendar days after (i) the Expiration Date, in the case of American Style Warrants, (ii) the Actual Exercise Date, in the case of European Style Warrants other than Credit Linked Warrants and (iii) the Credit Cut-Off Date, in the case of Credit Linked Warrants. The Exercise Notice shall include the applicable information set out in the Exercise Notice referred to in Condition 25(A)(a). The Business Day during the period from the Expiration Date or the Actual Exercise Date, as the case may be, until the Cut-Off Date

on which an Exercise Notice is delivered to Euroclear, Clearstream, Luxembourg, as the case may be, and a copy thereof delivered to Merrill Lynch International or BofA Securities Europe SA, as the case may be, by the Principal Warrant Agent, is referred to in this Condition as the "**Exercise Notice Delivery Date**", provided that if the Exercise Notice is delivered to Euroclear or Clearstream, Luxembourg, as the case may be, and a copy thereof delivered to the Principal Warrant Agent at or after 10.00 a.m., Brussels, Luxembourg or London time (as appropriate) on a Business Day, the Exercise Notice Delivery Date shall be deemed to be the next succeeding Business Day.

Subject to the relevant Holder performing its obligations in respect of the relevant Warrant or Unit, as the case may be, in accordance with these Terms and Conditions, the Settlement Date for such Warrants or Units, as the case may be, shall be (i) in the case of Cash Settled Warrants, the fourth Business Day following the Exercise Notice Delivery Date and (ii) in the case of Physical Delivery Warrants and subject to Conditions 5(B) and 5(C), the fourth Settlement Business Day following the Exercise Notice Delivery Date. In the event that a Holder does not so deliver an Exercise Notice in accordance with this Condition prior to 10.00 a.m. Brussels, Luxembourg or London time (as appropriate) on the Cut-Off Date, such Warrants shall expire worthless, and the Issuer's obligations in respect of such Warrants and, with respect to Warrants other than Secured W&C Instruments, the Guarantor's obligations in respect of the MLBV/MLICo. Guarantee shall be discharged and no further liability in respect thereof shall attach to the Issuer or (if applicable) the Guarantor.

Notwithstanding the foregoing, an Exercise Notice is not required in the case of Cash Settled Warrants if Automatic Exercise is specified in the applicable Final Terms in order to receive the Cash Settlement Amount, provided that the Warrants are not Rule 144A Warrants.

(F) *Minimum and Maximum Number of Warrants Exercisable*

(a) American Style Warrants

This paragraph (a) applies only to American Style Warrants:

(i) The number of Warrants exercisable by any Holder on any Actual Exercise Date, as determined by the Issuer, must not be less than the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

(ii) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Holder or a group of Holders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the "**Quota**"), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Exercise Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants are exercised on the same day by Holder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

(b) European Style Warrants

This paragraph (b) applies only to European Style Warrants:

The number of Warrants exercisable by any Holder on any Exercise Date as determined by the Issuer must not be less than the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and be of no effect.

26. **Additional Amounts**

(A) *Calculation of Additional Amounts*

If so specified in the applicable Final Terms, each Warrant pays additional amounts from and including the Issue Date at the Additional Amount Rate payable in arrear on each Additional Amount Payment Date.

The additional amount payable in respect of each Warrant on each Additional Amount Payment Date will amount to the Additional Amount for the Additional Amount Period ending on (but excluding) such Additional Amount Payment Date.

If an additional amount is required to be calculated for a period ending other than on (but excluding) an Additional Amount Payment Date, it will be calculated on the basis of the number of calendar days from and including the most recent Additional Amount Payment Date (or, if none, the Issue Date) to but excluding the relevant payment date and the Additional Amount Rate Day Count Fraction.

(B) *Accrual of Additional Amounts*

Each Warrant will cease to accrue additional amounts from and including the Additional Amount Cut-Off Date or, if earlier, the date on which the Warrants are cancelled (the "**Cancellation Date**"), if applicable, in accordance with these Terms and Conditions unless payment of the amount and/or delivery of any Entitlement due on the Settlement Date or Cancellation Date, as the case may be, is improperly withheld or refused or unless default is otherwise made in respect of the payment or delivery in which case additional amount(s) shall accrue from the date such amount or delivery of such Entitlement was due until such amount or delivery of such Entitlement is paid or delivered, as the case may be provided that:

(a) if "**Accrual of Additional Amounts upon Credit Event**" is specified as not applicable in the applicable Final Terms, each Warrant shall cease to accrue additional amount from the Additional Amount Payment Date or, if applicable, the Additional Amount Cut-Off Date, immediately preceding the Event Determination Date, or if the Event Determination Date is an Additional Amount Payment Date or, if applicable, the Additional Amount Cut-Off Date, such date (or, in the case of the Event Determination Date falling on or after the Actual Exercise Date (which is an Additional Amount Payment Date), the Additional Amount Payment Date immediately preceding the Actual Exercise Date or, if applicable, the Additional Amount Cut-Off Date corresponding to such Additional Amount Payment Date) or, if the Event Determination Date falls prior to the first Additional Amount Payment Date or, if applicable, the Additional Amount Cut-Off Date, no additional amount shall accrue on the Warrants; or

(b) if "**Accrual of Additional Amounts upon Credit Event**" is specified as being applicable in the applicable Final Terms, each Warrant shall cease to accrue additional amounts from the Event Determination Date.

For the avoidance of doubt, no additional amount on the Warrants shall accrue beyond the Exercise Date in the event that delivery of any Entitlement is postponed due to the occurrence of a Settlement Disruption Event.

(C) *Payment of Additional Amounts*

Where the Warrants pay additional amounts as specified in the applicable Final Terms, subject as provided below, the Issuer or failing the Issuer, the Guarantor shall pay or cause to be paid the Additional Amount for each Warrant in respect of each Additional Amount Payment Date by credit or transfer to the Holder's account with the relevant Clearing System for value on the relevant Additional Amount Payment Date, such payment to be made in accordance with the rules of the relevant Clearing System.

The Issuer or the Guarantor, as applicable, will be discharged by payment to, or to the order of, the relevant Clearing System in respect of the amount so paid. Each of the persons shown in the records of the relevant Clearing System as the holder of a particular amount of the Warrants must look solely to such Clearing System for his share of each such payment so made to, or to the order of, the relevant Clearing System.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

(D) *Definitions*

"**30/360 (Floating)**" or "**30/360**" or "**360/360**" or "**Bond Basis**" means the number of days in the Additional Amount Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Additional Amount Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Additional Amount Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Additional Amount Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Additional Amount Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30.

"**30E/360**" or "**Eurobond Basis**" means the number of days in the Additional Amount Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Additional Amount Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Additional Amount Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Additional Amount Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Additional Amount Period, unless such number would be 31, in which case D_2 will be 30.

"**30E/360 (ISDA)**" means the number of days in the Additional Amount Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Additional Amount Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Additional Amount Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Additional Amount Period, unless (a) that day is the last day of February or (b) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Additional Amount Period, unless (a) that day is the last day of February but not the Exercise Date or (b) such number would be 31, in which case D_2 will be 30.

"**Actual/360**" means the actual number of days in the Additional Amount Period divided by 360.

"**Actual/Actual (ISDA)**" means the actual number of days in the Additional Amount Period divided by 365 (or, if any portion of that Additional Amount Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Additional Amount Period falling in a leap year divided by 366; and (b) the actual number of days in that portion of the Additional Amount Period falling in a non-leap year divided by 365).

"**Actual/365 (Fixed)**" means the actual number of days in the Additional Amount Period divided by 365.

"**Additional Amount**" means, in respect of each Warrant and each Additional Amount Period, an amount (which shall never be less than zero) calculated by the Calculation Agent as follows:

Notional Amount per Warrant x Additional Amount Rate x Additional Amount Rate Day Count Fraction.

"**Additional Amount Period**" means the period commencing on (and including) the Issue Date to (but excluding) the first Additional Amount Payment Date (or if earlier the Additional Amount Cut-Off Date) and each period commencing on (and including) an Additional Amount Payment Date to (but excluding) the next following Additional Amount Payment Date (or if earlier the Additional Amount Cut-Off Date).

27. **Terms applicable to Certificates only**

Conditions 28 (*Definitions (Certificates)*), 29 (*Form of Certificates*), 30 (*Type and Title (Certificates)*), 31 (*Exercise Rights (Certificates)*), 32 (*Collection Notices and Settlement (Certificates)*) and 33 (*Additional Amounts*) apply to Certificates only.

28. **Definitions (Certificates)**

For the purposes of the Certificates:

"**Global W&C Instrument**" means, as the context so requires, a Global Certificate.

29. **Form of Certificates**

If the Certificates are to be issued into and transferred through accounts at Euroclear and Clearstream, Luxembourg ("**Euroclear/CBL Certificates**"), such Series of Euroclear/CBL Certificates will on issue be constituted by a global certificate in registered form (the "**Euroclear/CBL Global Registered Certificate**"), which will be deposited with a depositary common to Euroclear and Clearstream, Luxembourg and registered in the name of the nominee of such depositary.

The Euroclear/CBL Global Registered Certificates are referred to herein as "**Global Certificates**" and each a "**Global Certificate**".

Euroclear/CBL Global Registered Certificates will be exchangeable in whole, but not in part, for individual certificates:

(a) on the expiry of such period of notice as may be specified in the applicable Final Terms; or

(b) at any time, if so specified in the applicable Final Terms; or

(c) if the Issuer has been notified that Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system approved by the Holders of the Certificates is available.

Whenever the Euroclear/CBL Global Registered Certificate is to be exchanged for individual certificates, the Issuer shall procure that individual certificates will be issued in number or nominal amount equal to the number or nominal amount of the Euroclear/CBL Global Registered Certificates then outstanding within five Business Days of the delivery, by or on behalf of the registered holder of the Euroclear/CBL Global Registered Certificate to the Principal Certificate Agent of such information as is required to complete and deliver such individual warrant certificates (including, without limitation, the names and addresses of the persons in whose names the individual warrant certificates are to be registered and the number or nominal amount of each such person's holding) against the surrender of the Euroclear/CBL Global Registered Certificate at the specified office of the Principal Certificate Agent.

Such exchange will be effected in accordance with the provisions of the English Law Agency Agreement and the regulations concerning the transfer and registration of Certificates scheduled thereto and, in particular, shall be effected without charge to any holder, but against such

indemnity as the Principal Certificate Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

(a) individual certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth calendar day after they are due to be issued and delivered in accordance with the terms of the Euroclear/CBL Global Registered Certificate; or

(b) the date for final settlement of the Certificates has occurred and payment in full of all amounts due has not been made to the Holder of the Euroclear/CBL Global Registered Certificate on the due date for payment in accordance with the terms of the Euroclear/CBL Global Registered Certificate,

then the Euroclear/CBL Global Registered Certificate (including the obligation to deliver individual certificates) will become void at 5.00 p.m. (London time) on such thirtieth calendar day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the holder of the Euroclear/CBL Global Registered Certificate will have no further rights thereunder (but without prejudice to the rights which the holder of the Euroclear/CBL Global Registered Certificate or others may have under the W&C Instruments Deed of Covenant). Under the W&C Instruments Deed of Covenant, each Holder is entitled to exercise or enforce in respect of each Certificate held by him, the rights and obligations attaching to the relevant Certificate as set out in, and subject to, the W&C Instruments Deed of Covenant, the Conditions and the applicable Final Terms issued in respect of such Certificates.

30. **Type and Title (Certificates)**

(A) *Definitive Registered Certificates*

(i) *Transfers of Definitive Registered Certificates*

Transfers of Definitive Registered Certificates are effected upon (i) the surrender (at the specified office of the Principal Certificate Agent) of the individual certificate representing such Definitive Registered Certificates to be transferred, together with the form of transfer (which shall be available at the specified office of the Principal Certificate Agent) endorsed on such individual 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 other evidence as the Principal Certificate Agent may reasonably require, (ii) the recording of such transfer in the Register and (iii) the issuance of a new individual certificate to the transferee.

(ii) *Part Transfer of Definitive Registered Certificates*

In the case of a transfer of part only of a holding of a Definitive Registered Certificate represented by one individual certificate, a new individual certificate shall be issued to the transferee in respect of the part transferred and a further new individual certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(B) *Delivery of New Individual Certificates*

Each new individual certificate to be issued pursuant to this Condition 30 (*Type and Title (Certificates)*) shall be available for delivery within three Business Days of receipt of the form of transfer and surrender of the individual certificate for exchange. Delivery of the new individual certificate(s) shall be made at the specified office of the Principal Certificate Agent to whom delivery or surrender of such request for exchange, form of transfer, or individual 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 request for exchange, form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new individual certificate to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Principal

Certificate Agent the costs of such other method of delivery and/or such insurance as it may specify.

(C) *Closed Periods in respect of Definitive Registered Certificates*

No Holder may require the transfer of a Definitive Registered Certificate to be registered:

(i) during the period of 15 calendar days before any date on which Certificates may be called for cancellation and settlement by the Issuer at its option pursuant to Condition 31(C) (*Issuer Call Option*);

(ii) after any such Certificate has been called for cancellation or settlement; or

(iii) during the period of seven calendar days ending on (and including) any Settlement Record Date or Additional Amount Payment Record Date.

(D) *Exchange Free of Charge*

Exchange and transfer of Certificates on registration, transfer, cancellation, settlement or exercise of an option (as applicable) shall be effected without charge by or on behalf of the Issuer or the Principal Certificate Agent, as applicable, 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 Principal Certificate Agent may require).

31. **Exercise Rights (Certificates)**

(A) *Certificates other than Credit Linked Certificates*

Certificates other than Credit Linked Certificates shall be automatically exercised on the Actual Exercise Date. If the Certificates are Cash Settled Certificates, each such Certificate entitles its Holder to receive from the Issuer on the Settlement Date the Cash Settlement Amount. If the Certificates are Physical Delivery Certificates, each such Certificate entitles its Holder, subject to certification as to non-U.S. beneficial ownership and to the provisions of Condition 32(A), to receive from the Issuer on the Settlement Date the Entitlement subject to payment of any Expenses.

Unless otherwise specified in the applicable Final Terms, the Entitlement will be evidenced by the delivery of the Entitlement to the securities account with the Physical Delivery Clearing System or in such other manner as shall have been specified by the Holder in the relevant Collection Notice. The Issuer, (if applicable) the Guarantor and the Calculation Agent shall be under no obligation to register or procure the registration of a Holder in the register of members/holders of the Share Company or the Fund (as the case may be).

Unless otherwise specified in the applicable Final Terms, the Entitlement will be delivered to such securities account with the Physical Delivery Clearing System or in such other manner as shall have been specified by the Holder in the relevant Collection Notice, provided that, if, in the opinion of the Issuer, delivery of the Entitlement to the Holder in the manner specified by the Holder or through the Physical Delivery Clearing System specified by the Holder is not commercially reasonable, the Issuer shall deliver the Entitlement to the Holder through a clearing system which the Issuer determines to be commercially reasonable for such delivery and references to "Physical Delivery Clearing System" shall be deemed to be references to such clearing system selected by the Issuer. For the avoidance of doubt, the Issuer or, with respect to Certificates other than Secured W&C Instruments, the Guarantor will be fully discharged of any and all obligations with respect to delivery of the Entitlement by making delivery in the manner specified by the Holder in the relevant Collection Notice.

Unless otherwise specified in the applicable Final Terms, Certificates of the same Holder automatically exercised and in respect of which a Collection Notice (as defined below) has been duly given as provided in Condition 31(A), will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Certificates, provided that

the aggregate Entitlements will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in its sole and absolute discretion shall be paid to the Holder.

Following exercise of a Certificate relating to a specified share or a basket of shares or an Certificate relating to a specified index or a basket of indices, which is a Physical Delivery Certificate, all dividends on the relevant Shares or Fund Shares (as the case may be) to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares or Fund Shares (as the case may be) executed on the Actual Exercise Date and to be delivered in the same manner as such relevant Shares or Fund Shares (as the case may be). Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Collection Notice as referred to in Condition 32(A)(a)(1)(v) or Condition 32(A)(b)(1)(iii) as applicable.

The expressions "exercise", "due exercise" and related expressions shall be construed to apply to any Certificates which are automatically exercised on the Actual Exercise Date in accordance with this provision.

(B) *Credit Linked Certificates*

Credit Linked Certificates shall be automatically exercised on the Long Exercise Date or the Short Exercise Date (as the case may be) in accordance with Credit Linked W&C Instruments Condition 3.

(C) *Issuer Call Option*

If Issuer Call Option is specified as applicable in the applicable Final Terms the Issuer may, having given not less than 10 nor more than 60 calendar days' notice (or such other Issuer Call Option Notice Period as is set out in the applicable Final Terms) to the Holders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable) elect that the Exercise Date for all (but not less than all) of the Certificates be brought forward to the Call Option Date. If Call Option Cash Settlement is specified as applying in the applicable Final Terms, notwithstanding any provision to the contrary in the Terms and Conditions and/or the applicable Final Terms (a) if the Certificates are not Cash Settled Certificates, the Certificates shall be deemed to be Cash Settled Certificates and (b) the Cash Settlement Amount shall be the Call Option Cash Settlement Amount specified in the applicable Final Terms.

(D) *Mandatory Early Exercise*

If Mandatory Early Exercise is specified as applicable in the applicable Final Terms and a Mandatory Early Exercise Event occurs, the Exercise Date for all (but not less than all) of the Certificates will be brought forward to the Mandatory Early Exercise Date. If Mandatory Early Exercise Cash Settlement is specified as applicable in the applicable Final Terms, notwithstanding any provision to the contrary in the Terms and Conditions and/or the applicable Final Terms (a) if the Certificates are not Cash Settled Certificates, the Certificates shall be deemed to be Cash Settled Certificates and (b) the Cash Settlement Amount shall be the Mandatory Early Exercise Cash Settlement Amount specified in the applicable Final Terms, which shall be payable on the Mandatory Early Exercise Cash Settlement Date.

(E) *Holder Put Option*

If Holder Put Option is specified as applicable in the applicable Final Terms, a Holder may, by giving not less than 10 nor more than 60 calendar days' notice (or such other Holder Put Option Notice Period as is set out in the applicable Final Terms) as set out below elect to bring forward the Exercise Date for his Certificates to the Put Option Date

set out in the relevant Put Notice (as defined below). If Put Option Cash Settlement is specified as applying in the applicable Final Terms, notwithstanding any provision to the contrary in the Terms and Conditions and/or the applicable Final Terms (a) if the Certificates are not Cash Settled Certificates, the Certificates shall be deemed to be Cash Settled Certificates and (b) the Cash Settlement Amount for the relevant Certificates shall be the Put Option Cash Settlement Amount specified in the applicable Final Terms.

In order to exercise the right to bring forward the Exercise Date of a Certificate the Holder must deliver by facsimile or authenticated SWIFT message (confirmed in writing) a duly completed notice of exercise (a "**Put Notice**") in the form set out in the English Law Agency Agreement to (a) in the case of Euroclear/CBL Certificates, Euroclear or Clearstream, Luxembourg with a copy to the relevant Dealer and the Principal Certificate Agent and (b) in the case of Definitive Registered Certificates, the Principal Certificate Agent with a copy to the relevant Dealer. Copies of the Put Notice are available at the specified offices of the W&C Instrument Agents. Once delivered a Put Notice shall be irrevocable and the Certificates the subject of such notice may not be transferred.

(F) *Prescription*

Definitive Registered Certificates will become void unless presented for payment or delivery within a period of ten years (in the case of principal) and five years (in the case of additional amounts) after the Relevant Date (as defined below) therefor.

As used herein, the "**Relevant Date**" means the date on which such payment or delivery first becomes due, except that, if the full amount of any moneys payable has not been duly received by the relevant W&C Instrument Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Holders in accordance with Condition 12 (*Notices*).

Under New York's statute of limitations generally, the payment or delivery obligations of the Guarantor evidenced by the MLBV/MLICo. Guarantee of such Certificates must be commenced within six years after payment or delivery is due. Thereafter, such payment or delivery obligations will generally become unenforceable.

32. **Collection Notices and Settlement (Certificates)**

(A) *Collection Notices*

(a) Euroclear/CBL Certificates

If the Certificates are Euroclear/CBL Certificates, in order to receive the Entitlement in respect of a Certificate, the relevant Holder must send an instruction by authenticated SWIFT message or by any other authorised communication channel, in accordance with Euroclear and/or Clearstream, Luxembourg's rules and operating procedures (a "**Collection Notice**") which includes the information set out in Schedule 8 Part 2 to the English Law Agency Agreement (copies of which are available for viewing and can be obtained during normal business hours at the specified offices of the relevant W&C Instrument Agents) to Euroclear or Clearstream, Luxembourg, as the case may be, on (x) in the case of Certificates other than Credit Linked Certificates any Business Day up until not later than 10.00 a.m., Brussels or Luxembourg time (as appropriate), on the Actual Exercise Date or (y) in the case of Credit Linked Certificates, the Credit Cut-Off Date (each the "**Cut-Off Date**"). Euroclear and Clearstream, Luxembourg will send a copy of any Collection Notices so received to the Principal Certificate Agent. The Principal Certificate Agent will send such copies to the relevant Dealer.

(1) The Collection Notice shall:

(i) specify the Series of the Certificates and the number of Certificates the subject of such Collection Notice;

(ii) specify the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with the Certificates the subject of such Collection Notice;

(iii) irrevocably instruct Euroclear or Clearstream, Luxembourg, as the case may be, to debit on or before the Settlement Date the Holder's account with the Certificates the subject of such Collection Notice;

(iv) include an undertaking to pay all Expenses and except in the case of Definitive Registered Certificates, an authority to Euroclear or Clearstream, Luxembourg, as the case may be, to debit a specified account of the Holder at Euroclear or Clearstream, Luxembourg, as the case may be, in respect thereof and to pay such Expenses;

(v) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Holder's account with Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of a Definitive Registered Certificate, at a bank in the principal financial centre of the relevant Settlement Currency to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or in respect of any Partial Cash Settlement Amount;

(vi) in the case of FX Linked Certificates only, specify the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of a Definitive Registered Certificate, at a bank in the principal financial centre of the relevant Settlement Currency to be credited with the amount due upon exercise of the Certificates;

(vii) certify, *inter alia*, that the beneficial owner of each Certificate which is the subject of such Collection Notice is not a U.S. person, the Certificate was not held on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with such exercise and, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and

(viii) authorise the production of such Collection Notice in any applicable administrative or legal proceedings,

all as provided in the English Law Agency Agreement.

(2) If Condition 5(C) applies, the information required to be provided in the Collection Notice will be different from that set out above. Copies of such information required for this Collection Notice may be obtained from Euroclear, Clearstream, Luxembourg and the Certificate Agents.

(b) Definitive Registered Certificates

If the Certificates are Definitive Registered Certificates, in order to receive the Entitlement in respect of a Certificate, the relevant Holder must deliver an instruction in writing (a "**Collection Notice**") which includes the information set out in Schedule 8 Part 5 to the English Law Agency Agreement (copies of which may be obtained from the Principal Certificate Agent) along with the relevant Definitive Registered Certificate to the Principal Certificate Agent on (x) in the case of Certificates other than Credit Linked Certificates any Business Day up until not later than 10.00 a.m., Luxembourg time, on the Actual Exercise Date or (y) in the case of Credit Linked Certificates, the Credit Cut-Off Date (each the "**Cut-Off Date**"). The Principal Certificate Agent will send a copy of any Collection Notices so received to Merrill Lynch International or BofA Securities Europe SA, as the case may be.

(1) The Collection Notice shall:

(i) specify the Series of the Certificates and the number of Certificates the subject of such Collection Notice;

(ii) include an undertaking to pay all Expenses;

(iii) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Holder's account at a bank in the principal financial centre of the relevant Settlement Currency to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or in respect of any Partial Cash Settlement Amount;

(iv) in the case of FX Linked Certificates only, specify the number of the Holder's account at a bank in the principal financial centre of the relevant Settlement Currency to be credited with the amount due upon exercise of the Certificates;

(v) certify, *inter alia*, that the beneficial owner of each Certificate which is the subject of such Collection Notice is not a U.S. person, the Certificate was not held on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with such exercise and, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and

(vi) authorise the production of such Collection Notice in any applicable administrative or legal proceedings,

all as provided in the English Law Agency Agreement.

(2) If Condition 5(C) applies, the information required to be provided in the Collection Notice will be different from that set out above. Copies of such information required for this Collection Notice may be obtained from the Principal Certificate Agent.

(c) Late Delivery and Non-delivery of Collection Notice

If a Holder so delivers a duly completed Collection Notice after the Cut-Off Date, the Entitlement shall be delivered as soon as practicable after the Settlement Date or, in the case of Credit Linked Certificates, the Credit Settlement Date, provided that if a Holder does not so deliver a duly completed Collection Notice in accordance with this Condition 32(A) prior to the close of business in the place of receipt on the 90th calendar day following the Cut-Off Date, the Issuer's obligations in respect of such Certificates and, with respect to Certificates other than Secured W&C Instruments, the Guarantor's obligations in respect of the MLBV/MLICo. Guarantee shall be discharged and no further liability in respect thereof shall attach to the Issuer or (if applicable) the Guarantor. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise as a result of such Settlement Date or Credit Settlement Date falling after the originally designated Settlement Date or Credit Settlement Date, as the case may be, and no liability in respect hereof shall attach to the Issuer or the Guarantor.

After the delivery of a Collection Notice, the relevant Holder may not transfer the Certificates to which the Collection Notice relates.

(B) *Verification of the Holder*

In the case of a Collection Notice submitted in respect of a Euroclear/CBL Certificate, upon receipt of a valid Collection Notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person submitting the Collection Notice is the holder of the relevant Certificates according to the books of Euroclear or Clearstream, Luxembourg, as the case may be. Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Principal Certificate Agent or, in the case of Registered Certificates, the Registrar, the ISIN and the amount of Certificates being exercised, the account number of the exercising Holder, a confirmation of the exercising Holder's certification (in the case of Physical Delivery Certificates), the relevant account details (if applicable) and the details for the delivery of the Entitlement in respect of each Certificate the subject of the relevant Collection Notice. Upon receipt of such confirmation, the Principal Certificate Agent will inform the Issuer thereof. Euroclear or Clearstream, Luxembourg, as the case may be, will on or before the Settlement Date debit the account of the relevant Holder with the Certificates the subject of the relevant Collection Notice.

(C) *Settlement*

(a) Cash Settled Certificates

For so long as the Certificates are represented by Definitive Registered Certificates, the Issuer, or failing the Issuer and, with respect to Certificates other than Secured W&C Instruments, the Guarantor shall pay or cause to be paid the Cash Settlement Amount (if any) of each Certificate by credit or transfer to an account in the relevant Settlement Currency specified by the Holder, or at the option of the Holder, by cheque mailed to the address of the Holder in the Register on the fifteenth calendar day before the due date for such payment (such date being the "**Settlement Record Date**" for Definitive Registered Certificates). In order to receive the Cash Settlement Amount less any Expenses the Holder must deliver the relevant individual certificate to the Principal Certificate Agent.

For so long as the Certificates are represented by a Global Certificate, subject as provided below, the Issuer or failing the Issuer and, with respect to Certificates other than Secured W&C Instruments, the Guarantor shall pay or cause to be paid the Cash Settlement Amount (if any) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System for value on the Settlement Date less any Expenses, such payment to be made in accordance with the rules of the relevant Clearing System. The Issuer or (if applicable) the

Guarantor, as applicable, will be discharged by payment to, or to the order of, the relevant Clearing System in respect of the amount so paid. Each of the persons shown in the records of the relevant Clearing System as the holder of a particular amount of the Certificates must look solely to such Clearing System for his share of each such payment so made to, or to the order of such Clearing System.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

Notwithstanding the foregoing, a cheque may not be delivered to an address in, a credit or transfer may not be delivered to an address in, and an amount may not be transferred to an account at a bank located in, the United States by any office or agency of the Issuer, (if applicable) the Guarantor, the Principal Certificate Agent, any W&C Instrument Agent or the Registrar.

(b) Physical Delivery Certificates

Subject to payment of any Expenses with regard to the relevant Certificates, the Issuer shall deliver, or procure the delivery of, the Entitlement or, in the case of Credit Linked Certificates, Deliver, or procure the Delivery of the Deliverable Obligations comprising the Entitlement for each Certificate in respect of which a valid Collection Notice (and, in the case of Definitive Registered Certificates, the relevant individual certificate in respect of the Definitive Registered Certificate) has been delivered as provided in Condition 32(A) pursuant to the details specified in the Collection Notice subject as provided in Condition 5.

The Issuer shall at the risk of the relevant Holder deliver the Entitlement in respect of each Certificate or, in the case of Credit Linked Certificates, Deliver the Deliverable Obligations comprising the Entitlement in such commercially reasonable manner as the Issuer shall, in its sole discretion, determine to be appropriate for such delivery. In the case of Credit Linked Certificates, in relation to each Deliverable Obligation constituting the Entitlement, the Issuer will Deliver or procure the Delivery of the relevant Deliverable Obligation as provided above on the Credit Settlement Date provided that if all or some of the Deliverable Obligations included in the Entitlement are Undeliverable Obligations and/or Hedge Disruption Obligations, then the Issuer shall continue to attempt to Deliver all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, on or before the 30th Business Day following the Credit Settlement Date (the "**Final Delivery Date**"), provided further that if all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, are not Delivered by the Final Delivery Date the provisions of Credit Linked W&C Condition 10 shall apply.

(D) *Determinations*

Any determination as to whether a Collection Notice is duly completed and in proper form shall be made by the Principal Certificate Agent in consultation with Euroclear or Clearstream, Luxembourg and shall be conclusive and binding on the Issuer, the relevant W&C Instrument Agents and the relevant Holder. Subject as set out below, any Collection Notice so determined to be incomplete or not in proper form, or which is not sent to the relevant Dealer by the Principal Certificate Agent immediately after being delivered or sent to Euroclear or Clearstream, Luxembourg, the Principal Certificate Agent or the Issuer, as applicable, shall be null and void.

If such Collection Notice is subsequently corrected to the satisfaction of Euroclear or Clearstream, Luxembourg, the Principal Certificate Agent or the Issuer, as applicable, in consultation with the Principal Certificate Agent (in the case of Euroclear/CBL Certificates or Definitive Registered Certificates), it shall be deemed to be a new Collection Notice submitted at the time such correction was delivered to Euroclear or Clearstream, Luxembourg, the Principal Certificate Agent or the Issuer, as applicable,

and copied to the Principal Certificate Agent or the relevant Dealer, as applicable (in the case of Euroclear/CBL Certificates).

Euroclear or Clearstream, Luxembourg, the Principal Certificate Agent or the Issuer, as applicable, shall use its best efforts promptly to notify the Holder submitting a Collection Notice if it has determined that such Collection Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, the W&C Instrument Agents, Euroclear, Clearstream, Luxembourg and the Principal Certificate Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

33. Additional Amounts

(A) *Calculation of Additional Amounts*

If so specified in the applicable Final Terms, each Certificate pays additional amounts from and including the Issue Date at the Additional Amount Rate payable in arrear on each Additional Amount Payment Date.

The additional amount payable in respect of each Certificate on each Additional Amount Payment Date will amount to the Additional Amount for the Additional Amount Period ending on (but excluding) such Additional Amount Payment Date.

If an additional amount is required to be calculated for a period ending other than on (but excluding) an Additional Amount Payment Date, it will be calculated on the basis of the number of calendar days from and including the most recent Additional Amount Payment Date (or, if none, the Issue Date) to but excluding the relevant payment date and the Additional Amount Rate Day Count Fraction.

(B) *Accrual of Additional Amount*

Each Certificate will cease to accrue additional amounts from and including the Additional Amount Cut-Off Date or, if earlier, the date on which the Certificates are cancelled (the "**Cancellation Date**"), if applicable, in accordance with these Terms and Conditions unless payment of the amount and/or delivery of any Entitlement due on the Settlement Date or Cancellation Date, as the case may be, is improperly withheld or refused or unless default is otherwise made in respect of the payment or delivery in which case additional amount(s) shall accrue from the date such amount or delivery of such Entitlement was due until such amount or delivery of such Entitlement is paid or delivered, as the case may be, provided that:

(a) if "Accrual of Additional Amounts upon Credit Event" is specified as Not Applicable in the applicable Final Terms, each Certificate shall cease to accrue additional amount from the Additional Amount Payment Date or, if applicable, the Additional Amount Cut-Off Date, immediately preceding the Event Determination Date, or if the Event Determination Date is an Additional Amount Payment Date or, if applicable, the Additional Amount Cut-Off Date, such date (or, in the case of the Event Determination Date falling on or after the Actual Exercise Date (which is an Additional Amount Payment Date), the Additional Amount Payment Date immediately preceding the Actual Exercise Date or, if applicable, the Additional Amount Cut-Off Date corresponding to such Additional Amount Payment Date) or, if the Event Determination Date falls prior to the first Additional Amount Payment Date or, if applicable, the Additional Amount Cut-Off Date, no additional amount shall accrue on the Certificates; or

(b) if "Accrual of Additional Amounts upon Credit Event" is specified as being Applicable in the applicable Final Terms, each Certificate shall cease to accrue additional amounts from the Event Determination Date.

For the avoidance of doubt, no additional amount on the Certificates shall accrue beyond the Exercise Date in the event that delivery of any Entitlement is postponed due to the occurrence of a Settlement Disruption Event.

(C) *Payment of Additional Amounts*

For so long as the Certificates are represented by Definitive Registered Certificates, where the Certificates pay additional amounts, subject as provided below, the Issuer or failing the Issuer, the Guarantor shall pay or cause to be paid the Additional Amount for each Certificate in respect of each Additional Amount Payment Date by credit or transfer to an account in the relevant Settlement Currency outside the United States (in accordance with the applicable United States Treasury Regulations) specified by the Holder or, at the option of the Holder, by cheque mailed to the address of the Holder registered in the Register on the fifteenth calendar day before the due date for such payment (such date being the "**Additional Amount Payment Record Date**" for such Definitive Registered Certificates) for value on the relevant Additional Amount Payment Date. In order to receive the Additional Amount the Holder must deliver the relevant individual certificate to the Principal Certificate Agent.

For so long as the Certificates are represented by a Global Certificate, where the Certificates pay additional amounts, subject as provided below, the Issuer or failing the Issuer, the Guarantor shall pay or cause to be paid the Additional Amount for each Certificate in respect of each Additional Amount Payment Date by credit or transfer to the Holder's account with Euroclear or Clearstream, Luxembourg, as the case may be, for value on the relevant Additional Amount Payment Date, such payment to be made in accordance with the rules of Euroclear or Clearstream, Luxembourg, as the case may be.

The Issuer or the Guarantor, as applicable, will be discharged by payment to, or to the order of, Euroclear or Clearstream, Luxembourg, as the case may be, in respect of the amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg, as the case may be, as the holder of a particular amount of the Certificates must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each such payment so made to, or to the order of, Euroclear or Clearstream, Luxembourg, as the case may be.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

Notwithstanding the foregoing, a cheque may not be delivered to an address in, a credit or transfer may not be delivered to an address in, and an amount may not be transferred to an account at a bank located in, the United States by any office or agency of the Issuer, the Guarantor, the Principal Certificate Agent, any W&C Instrument Agent or the Registrar.

(D) *Definitions*

"**30/360 (Floating)**" or "**30/360**" or "**360/360**" or "**Bond Basis**" means the number of days in the Additional Amount Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Additional Amount Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Additional Amount Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Additional Amount Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Additional Amount Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30.

"**30E/360**" or "**Eurobond Basis**" means the number of days in the Additional Amount Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Additional Amount Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Additional Amount Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Additional Amount Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Additional Amount Period, unless such number would be 31, in which case D_2 will be 30.

"**30E/360 (ISDA)**" means the number of days in the Additional Amount Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Additional Amount Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Additional Amount Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Additional Amount Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Additional Amount Period, unless (a) that day is the last day of February or (b) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Additional Amount Period, unless (a) that day is the last day of February but not the Exercise Date or (b) such number would be 31, in which case D_2 will be 30.

"**Actual/360**" means the actual number of days in the Additional Amount Period divided by 360.

"**Actual/Actual (ISDA)**" means the actual number of days in the Additional Amount Period divided by 365 (or, if any portion of that Additional Amount Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Additional Amount Period falling in a leap year divided by 366; and (b) the actual number of days in that portion of the Additional Amount Period falling in a non-leap year divided by 365).

"**Actual/365 (Fixed)**" means the actual number of days in the Additional Amount Period divided by 365.

"**Additional Amount**" means, in respect of each Certificate and each Additional Amount Period, an amount (which shall never be less than zero) calculated by the Calculation Agent as follows:

Notional Amount per Certificate x Additional Amount Rate x Additional Amount Rate Day Count Fraction.

"**Additional Amount Period**" means the period commencing on (and including) the Issue Date to (but excluding) the first Additional Amount Payment Date (or if earlier the Additional Amount Cut-Off Date) and each period commencing on (and including) an Additional Amount Payment Date to (but excluding) the next following Additional Amount Payment Date (or if earlier the Additional Amount Cut-Off Date).

USE OF PROCEEDS OF THE W&C INSTRUMENTS

Each of MLBV and MLICo. intends to use the net proceeds from each issue of W&C Instruments issued by it for its general corporate purposes, including making general loans to affiliates which may use such proceeds for their general corporate purposes. A substantial portion of the proceeds from the issue of W&C Instruments may be used to hedge market risk with respect to such W&C Instruments. If, in respect of any particular issue of W&C Instruments, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

ANNEX 1

ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED INSTRUMENTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Index Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for Index Linked Instruments set out below (the "**Index Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. The terms and conditions applicable to Index Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Index Linked Conditions, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Notes, and the W&C Instruments Conditions, in the case of W&C Instruments, and the Index Linked Conditions, the Index Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions or the W&C Instruments Conditions and/or the Index Linked Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Index Linked Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

2. **Definitions**

For the purposes of these Index Linked Conditions:

"**Administrator/Benchmark Event**" means, in respect of an Index, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Index or the administrator or sponsor of the Index has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any affiliate engaged in hedging transactions relating to the Instruments is not, or will not be, permitted under any applicable law or regulation to use the Index to perform its or their respective obligations under the Instruments or any related hedging transactions.

"**Administrator/Benchmark Event Date**" means, in respect of an Index and an Administrator/Benchmark Event, the date on which the authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is:

(a) required under any applicable law or regulation; or

(b) rejected, refused, suspended or withdrawn, if the applicable law or regulation provides that the Index is not permitted to be used under the Instruments or related hedging transactions following rejection, refusal, suspension or withdrawal,

or, in each case, if such date occurs before the Strike Date, the Strike Date.

"**Averaging Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "**Common Scheduled Trading Days**" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, or on account of such date not being a Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "**Common Scheduled Trading Days**" shall be applicable, a Common Scheduled Trading Day), would have been the final Averaging Date, or, if earlier, the Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "**Common Scheduled Trading Days**" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on the relevant

Averaging Dates, provided that the Averaging Cut-Off Date shall not fall prior to the original date on which the final Averaging Date was scheduled to fall.

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day), or, if earlier, the Averaging Cut-Off Date. If any such day is a Disrupted Day:

(a) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level or price provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level or price on the final Averaging Date, as if such final Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then:

(i) where the Index Linked Instruments relate to a single Index, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below;

(ii) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall not be applicable, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Scheduled Trading Day, if applicable) (the "**Scheduled Averaging Date**") and the Averaging Date for an Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index. If the first succeeding Valid Date in relation to such Index has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Index, and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of "Valuation Date" below;

(iii) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Common Scheduled Trading Day, if applicable) (the

"**Scheduled Averaging Date**") and the Averaging Date for an Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index. If the first succeeding Valid Date in relation to such Index has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day for the Index, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Index, and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (c)(ii) of the definition of "Valuation Date" below; or

(iv) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Averaging Date for each Index shall be the first succeeding Common Valid Date in relation to such Index. If the first succeeding Common Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (d)(ii) of the definition of "Valuation Date" below,

and, for the purposes of these Index Linked Conditions "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur, and "**Common Valid Date**" means a Common Scheduled Trading Day that is not a Disrupted Day for any Index, and on which another Averaging Date does not or is deemed not to occur.

"**Barrier Event Determination Day**" means, in respect of each Index:

(a) if the applicable Final Terms provides that the Barrier Event (intraday) provisions shall apply, unless otherwise specified in the applicable Final Terms, each day on which the level of such Index is published and/or disseminated by the Index Sponsor during the relevant Observation Period, regardless of whether or not such day is a Scheduled Trading Day for such Index (and if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring for such Index at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred); or

(b) if the applicable Final Terms provides that the Barrier Event (closing) provisions shall apply, each day specified as such in the applicable Final Terms.

"**Barrier Event Valuation Time (closing)**" means:

(a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day, as the case may be, in relation to each Index to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Barrier Event Valuation Time (closing) is after the actual closing time for its regular trading session, then the Barrier Event Valuation Time (closing) shall be such actual closing time;

(b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, (i) for the purposes of determining whether a Market Disruption Event has occurred: (A) in respect of any Component Security, the Scheduled Closing Time on

the relevant Exchange and (B) in respect of any options contracts or futures contracts on the Index, the close of trading on the relevant Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; or

(c) in relation to an Index which is specified in the applicable Final Terms as being a Proprietary Index, the time at which the Index Sponsor calculates and publishes the official closing level of the Index.

"**Barrier Event Valuation Time (intraday)**" means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the relevant Exchange.

"**Barrier Level**" means, in respect of an Index, such level for such Index as is specified in the applicable Final Terms.

"**Basket of Indices**" means, subject to adjustment in accordance with these Index Linked Conditions, a basket composed of indices in their relative proportions or number of indices, as specified in the applicable Final Terms.

"**Common Scheduled Trading Day**" means, in respect of a Basket of Indices, each day which is a Scheduled Trading Day for all the Indices in the Basket of Indices.

"**Component Security**" means, in respect of an Index, any share or other component security, index or instrument included in such Index as determined by the Calculation Agent and related expressions shall be construed accordingly.

"**Disrupted Day**" means:

(a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

(b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), (ii) the Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred; or

(c) in relation to an Index which is specified in the applicable Final Terms as being a Proprietary Index, any Scheduled Trading Day on which a Market Disruption Event has occurred (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption).

"**Early Closure**" means:

(a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or

(b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange, as the

case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange, as the case may be, on such Exchange Business Day, or (ii) the submission deadline for orders to be entered into on the relevant Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

"**Exchange**" means:

(a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange); or

(b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent.

"**Exchange Business Day**" means (a) where the relevant Index is specified in the applicable Final Terms to be a Unitary Index, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time or (b) where the relevant Index is specified in the applicable Final Terms to be a Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index, and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means:

(a) in relation to an Index which is specified in the applicable Final Terms as being a Unitary Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange; or

(b) in relation to an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on the relevant Related Exchange.

"**Final Level**" means, in respect of an Index, unless otherwise specified in the applicable Final Terms, the Index Closing Level of such Index on the Valuation Date, subject to adjustment in accordance with these Index Linked Conditions.

"**Index**" and "**Indices**" mean, subject to adjustment in accordance with the Index Linked Conditions, the indices or index specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Index Closing Level**" means, in respect of an Index and any relevant date, subject to these Index Linked Conditions, an amount equal to the official closing level (which shall be deemed to be an amount in the Index Currency) of such Index as determined by the Calculation Agent on such date.

"**Index Currency**" means in respect of an Index, the index currency specified in the applicable Final Terms.

"**Index Level**" means, in respect of an Index and a time on any day, and subject to these Index Linked Conditions, the level of such Index at such time on such day as determined by the Calculation Agent.

"**Index Performance**" means unless otherwise specified in the applicable Final Terms, in respect of an Index and any relevant date, an amount (expressed as a percentage) determined by the Calculation Agent as being equal to (a) the Index Closing Level of such Index on such date, divided by (b) the Initial Level of such Index.

"**Index-Related ETF**" means, in respect of any Index and for Index Linked W&C Instruments that are Physical Delivery W&C Instruments, the ETF (as defined in Fund Linked Condition 7) corresponding to such Index, as specified in the applicable Final Terms.

"**Index Sponsor**" means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms.

"**Initial Level**" means, in respect of an Index, unless otherwise specified in the applicable Final Terms, the Index Closing Level of such Index on the Strike Date, subject to adjustment in accordance with these Index Linked Conditions.

"**Multi-Exchange Index**" means any Index for which the "**Type of Index**" is specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"**Observation Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Observation Date or, if earlier, the Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Observation Date, provided that the Observation Cut-Off Date shall not fall prior to the original date on which such Observation Date was scheduled to fall.

"**Observation Date**" means each Observation Date specified in the applicable Final Terms, or if such date is not a Scheduled Trading Day the immediately following Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day) or, if earlier, the Observation Cut-Off Date. If any such day is a Disrupted Day, then:

(a) where the Index Linked Instruments relate to a single Index, the Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, (i) the Observation Cut-Off Date shall be deemed to be such Observation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant level or price by determining the level of the Index as of the Valuation Time on the Observation Cut-Off Date in accordance with (subject to Index Linked Condition 5 below) the formula

for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date), or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Observation Cut-Off Date of each component comprised in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Observation Cut-Off Date;

(b) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall not be applicable, the Observation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date (or, if earlier, the Observation Cut-Off Date) and the Observation Date for each Index affected (each an "**Affected Index**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day relating to the Affected Index. In that case, or if such Observation Date falls on the Observation Cut-Off Date for an Index owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Index, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date for such Index (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to such Index, the level of such Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of such Index as of the Valuation Time on the Observation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in such Index (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date) or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Observation Cut-Off Date of each component comprised in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Observation Cut-Off Date;

(c) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Observation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date (or if the Scheduled Observation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day, or in either case, if earlier, the Observation Cut-Off Date) and the Observation Date for each Index affected (each an "**Affected Index**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date (or if such Scheduled Observation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day) up to, and including, the Observation Cut-Off Date is a Disrupted Day relating to the Affected Index. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i)

the Observation Cut-Off Date shall be deemed to be the Observation Date for such Index (notwithstanding the fact that such day may be a Disrupted Day for an Index or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to such Index, the level of such Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of such Index as of the Valuation Time on the Observation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in such Index (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date), or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Observation Cut-Off Date of each component comprised in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Observation Cut-Off Date; or

(d) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Observation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Index, unless each of the Common Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day for one or more Indices. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date (notwithstanding the fact that such day may be a Disrupted Day for an Index or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to each Index for which the Observation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, the level of such Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of such Index as of the Valuation Time on the Observation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in each Index for which the Observation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date), or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Observation Cut-Off Date of each component comprised in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Observation Cut-Off Date.

"**Observation Period**" means, in respect of an Index:

(a) if the consequence of "Extension" is specified in the applicable Final Terms to be applicable, each period commencing on the Observation Period Start Date, following adjustment of such date pursuant to these Index Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, following adjustment of such date pursuant to these Index Linked Conditions or as specified in the applicable Final Terms,

if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms); or

(b) if the consequence of "No Extension" is specified in the applicable Final Terms to be applicable, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Index Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, prior to any adjustment of such date pursuant to these Index Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms).

"**Observation Period End Date**" means, in respect of an Index, each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the provisions of "Observation Date", "Valuation Date" or otherwise as specified in the applicable Final Terms, if applicable.

"**Observation Period Start Date**" means, in respect of an Index, each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the provisions of "Observation Date", "Valuation Date" or otherwise as specified in the applicable Final Terms, if applicable.

"**Proprietary Index**" means any Index for which the "Type of Index" is specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"**Related Exchange**" means, in relation to any Unitary Index or Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "**Related Exchange**" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index.

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Observation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

"**Scheduled Trading Day**" means in respect of:

(a) any Unitary Index, any day on which each Exchange and each Related Exchange for the Index are scheduled to be open for trading for their respective regular trading sessions;

(b) any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index, and (ii) the Related Exchange for the Index is scheduled to be open for trading for its regular trading session; and

(c) any Proprietary Index, any day on, or, as the case may be, in respect of, which the Index Sponsor is scheduled to publish the level of such Index.

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Strike Date**" means the date specified as such in the applicable Final Terms.

"**Trade Date**" means the date specified as such in the applicable Final Terms.

"**Trading Disruption**" means:

(a) in respect of any Unitary Index, any suspension of, or limitation imposed on, trading by any relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to securities that comprise 20 per cent. or more of the level of such Index on any relevant Exchange, or (ii) in futures or options contracts relating to such Index on any relevant Related Exchange; and

(b) in respect of any Multi-Exchange Index, any suspension or limitation imposed on trading by any relevant Exchange or Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to any Component Security on the Exchange in respect of such Component Security, or (ii) in futures or options contracts relating to the Index on the Related Exchange.

"**Unitary Index**" means any Index for which the "Type of Index" is specified as such in the applicable Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"**Valuation Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Valuation Date, or, if earlier, the Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

"**Valuation Date**" means each Valuation Date specified in the applicable Final Terms, or if such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day (or, where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day) or, if earlier, the Valuation Cut-Off Date. If such day is a Disrupted Day, then:

(a) where the Index Linked Instruments relate to a single Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to, and including, the Valuation Cut-Off Date is a Disrupted Day. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Index, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant level or price by determining the level of the Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with (subject to Index Linked Condition 5 below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date), or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Valuation Cut-Off Date of each component comprised

in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Valuation Cut-Off Date;

(b) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" shall not be applicable, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Index affected (each an "**Affected Index**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to, and including, the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Index. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Index, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Index (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to such Index, the level of such Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of such Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date), or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Valuation Cut-Off Date of each component comprised in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Valuation Cut-Off Date;

(c) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or if the Scheduled Valuation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day, or in either case, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Index affected (each an "**Affected Index**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date (or if the Scheduled Valuation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day) up to, and including, the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Index. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Index (notwithstanding the fact that such day may be a Disrupted Day for an Index or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to such Index, the level of such Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in such Index (or, if an

event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date), or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Valuation Cut-Off Date of each component comprised in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Valuation Cut-Off Date; or

(d) where the Index Linked Instruments relate to a Basket of Indices and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Valuation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Index, unless each of the Common Scheduled Trading Days immediately following the Scheduled Valuation Date up to, and including, the Valuation Cut-Off Date is a Disrupted Day for one or more Indices. In that case, or if the Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day for an Index or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to each Index for which the Valuation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, the level of such Index determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level of such Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with (subject to Index Linked Condition 5) the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day (A) in respect of a Unitary Index or Multi-Exchange Index, using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in each Index for which the Valuation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date), or (B) in respect of a Proprietary Index, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Valuation Cut-Off Date of each component comprised in the Index, or, if the value of any component cannot be determined at such time on such day, its good faith estimate of the value for the relevant component as of the Valuation Time on the Valuation Cut-Off Date.

"**Valuation Time**" means:

(a) in respect of any Unitary Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (A) any Exchange, the Scheduled Closing Time of the Exchange (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (B) any options contracts or futures contracts on such Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;

(b) in respect of any Multi-Exchange Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on the Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; and

(c) in respect of any Proprietary Index, the time at which the Index Sponsor calculates and publishes the official closing level of the Index.

"**Worst Performing Index**" means, in respect of a Basket of Indices and the Valuation Date (unless otherwise specified in the applicable Final Terms), the Index with the lowest Index Performance on such day as determined by the Calculation Agent (provided that if two or more Indices have the same lowest Index Performance on such day, the Calculation Agent shall determine which Index shall be the Worst Performing Index in its sole and absolute discretion, and such Index shall be the Worst Performing Index).

3. **Market Disruption**

"**Market Disruption Event**" means:

(a) in respect of any Unitary Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of a Unitary Index exists at any time, if a Market Disruption Event (as defined in the Share Linked Conditions in relation to a share) occurs in respect of a Component Security included in the Index at any time, then the relevant percentage contribution of such Component Security to the level of the Index shall be based on a comparison of (A) the portion of the level of the Index attributable to such Component Security and (B) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event;

(b) in respect of any Multi-Exchange Index either:

(i) (A) the occurrence or existence, in respect of any Component Security, of:

(1) a Trading Disruption, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;

(2) an Exchange Disruption, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or

(3) an Early Closure; and

(B) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists, comprises 20 per cent. or more of the level of the Index; or

(ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of (A) a Trading Disruption, (B) an Exchange Disruption which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of a Multi-Exchange Index exists at any time, if a Market Disruption Event (as defined in the Share Linked Conditions in relation to a share) occurs in respect of a Component Security at that time, then the relevant percentage contribution of such Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security and (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

(c) in respect of any Proprietary Index, the failure by the Index Calculation Agent (as specified in the rules relating to the relevant Proprietary Index) to calculate, and/or the Index Sponsor to publish, the level of the Index on any Scheduled Trading Day or in respect of such Scheduled Trading Day within the scheduled timeframe for such calculation or publication.

4. **Barrier Event**

(a) A "**Barrier Event (intraday)**" means (and a Barrier Event (intraday) shall be deemed to occur if), in respect of an Index, the Calculation Agent determines that the Index Level of such Index as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Index and such Barrier Event Determination Day.

For the purpose of determining whether a Barrier Event (intraday) has occurred on any day in respect of a Unitary Index and a Multi-Exchange Index, the definition of Market Disruption Event specified in Index Linked Condition 3 shall be amended such that (i) all references to "during the one-hour period that ends at the relevant Valuation Time" shall be deleted, and (ii) in the definition of "Early Closure" appearing in Index Linked Condition 2, each reference to "Valuation Time" and "Scheduled Closing Time" shall be construed as a reference to "Barrier Event Valuation Time (intraday)".

(b) A "**Barrier Event (closing)**" means (and a Barrier Event (closing) shall be deemed to occur if), in respect of an Index, the Calculation Agent determines that the Index Closing Level of such Index as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Index and such Barrier Event Determination Day.

5. **Adjustments and Corrections to an Index**

(a) Consequences of a Successor Index Sponsor or a Successor Index

If a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

(b) Modification and Cessation of Calculation of an Index

If (i) on or prior to a Valuation Date, an Observation Date or an Averaging Date (or other relevant date, as determined by the Calculation Agent), the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation or contracts and other routine events) (an "**Index Modification**"), or permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), (ii) on a Valuation Date, an Observation Date or an Averaging Date (or other relevant date, as determined by the Calculation Agent), the Index Sponsor or, if applicable, the Successor Index Sponsor fails to calculate and announce a relevant Index, provided that, in respect of an Index which is specified in the applicable Final Terms as being a Multi-Exchange Index or a Proprietary Index, the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of a Disrupted Day (an "**Index Disruption**") or (iii) on or prior to a Valuation Date, an Observation Date or an Averaging Date (or other relevant date, as determined by the Calculation Agent), an Administrator/Benchmark Event Date has occurred in respect of a relevant Index (an Administrator/Benchmark Event, together with an Index Disruption, an Index Modification and an Index Cancellation shall each be an "**Index Adjustment Event**"), then the Issuer may take the action described in (A) or (B) below:

(A) require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the Index Linked Instruments and, if so, calculate the relevant level or price using, in lieu of a published level for such Index, the level for such Index as at the Valuation Time on that Valuation Date, Observation Date or Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating such Index last in effect prior to the change, failure or cancellation, but using only those securities or components that comprised such Index immediately prior to that Index Adjustment Event; or

(B) (1) in the case of Notes, on giving notice to the Noteholders in accordance with Note Condition 14, redeem all (but not less than all) of the Notes, each Note being redeemed at the Early Redemption Amount; or

(2) in the case of W&C Instruments, on giving notice to Holders in accordance with W&C Instruments Condition 12, cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

Upon the occurrence of an Index Adjustment Event, the Issuer shall give notice as soon as reasonably practicable to the Holders in accordance with Note Condition 14 or Holders in accordance with W&C Instruments Condition 12, as applicable, giving details of the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of such action. The Issuer shall make available for inspection by Holders copies of any such determinations.

(c) Corrections to an Index

If the level of a relevant Index published on any Valuation Date, Observation Date or Averaging Date (or other relevant date, as determined by the Calculation Agent), as the case may be, by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor and which is utilised for any calculation or determination made for the purposes of the Index Linked Instruments (a "**Relevant Calculation**") is subsequently corrected and the correction (the "**Corrected Index Level**") is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor no later than two Business Days prior to the date on which payment of any amount or delivery of any assets may have to be made pursuant to such Relevant Calculation, then such Corrected Index Level shall be deemed to be the relevant level for such Index on such Averaging Date, Observation Date or Valuation Date (or other relevant date, as determined by the Calculation Agent), as the case may be, and the Calculation Agent shall use such Corrected Index Level in determining the relevant level or price and/or whether the Barrier Event (closing) or Barrier Event (intraday), as the case may be, has been triggered.

6. **Additional Disruption Events**

(a) "**Additional Disruption Event**" means any of Change in Law, Hedging Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms.

"**Change in Law**" means that, on or after the Trade Date (as specified in the applicable Final Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A)

it has become illegal to hold, acquire or dispose of any relevant security comprised in an Index or (B) the Issuer will incur a materially increased cost in performing its obligations in relation to the Index Linked Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its affiliates).

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Index Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates or agents acting on its behalf would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Index Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

(b) If Additional Disruption Events are specified as applicable in the applicable Final Terms, then if an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) give notice to Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, and (A) in the case of Notes, redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or (B) in the case of W&C Instruments, cancel the W&C Instruments and pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Additional Disruption Event less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion, payment being made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(c) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR SHARE LINKED INSTRUMENTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Share Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for Share Linked Instruments set out below (the "**Share Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. The terms and conditions applicable to Share Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Share Linked Conditions, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Notes, and the W&C Instruments Conditions, in the case of W&C Instruments, and the Share Linked Conditions, the Share Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions or the W&C Instruments Conditions and the Share Linked Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Share Linked Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

2. **Definitions**

For the purposes of these Share Linked Conditions:

"**Averaging Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, or on account of such date not being a Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, a Common Scheduled Trading Day), would have been the final Averaging Date, or, if earlier, the Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on the relevant Averaging Dates, provided that the Averaging Cut-Off Date shall not fall prior to the original date on which the final Averaging Date was scheduled to fall.

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day, (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day), or, if earlier, the Averaging Cut-Off Date. If any such day is a Disrupted Day:

(a) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant price; provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant price on the final Averaging Date, as if such final Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such

determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then:

(i) where the Share Linked Instruments relate to a single Share, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Share, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below;

(ii) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall not be applicable, the Averaging Date for each Share not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Scheduled Trading Day, if applicable) (the "**Scheduled Averaging Date**") and the Averaging Date for a Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Share. If the first succeeding Valid Date in relation to such Share has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Share, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Share, and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of "Valuation Date" below;

(iii) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Averaging Date for each Share not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Common Scheduled Trading Day, if applicable) (the "**Scheduled Averaging Date**") and the Averaging Date for a Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Share. If the first succeeding Valid Date in relation to such Share has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Share, and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (c)(ii) of the definition of "Valuation Date" below; or

(iv) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Averaging Date for each Share shall be the first succeeding Common Valid Date in relation to such Share. If the first succeeding Common Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the

Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (d)(ii) of the definition of "Valuation Date" below,

and, for the purposes of these Share Linked Conditions "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur, and "**Common Valid Date**" means a Common Scheduled Trading Day that is not a Disrupted Day for any Share and on which another Averaging Date does not or is deemed not to occur.

"**Barrier Event Determination Day**" means, in respect of each Share:

(a) if the applicable Final Terms provides that the Barrier Event (intraday) provisions shall apply, unless otherwise specified in the Final Terms, each day on which the price of such Share is quoted on the relevant Exchange during the relevant Observation Period, regardless of whether or not such day is a Scheduled Trading Day for such Share (and, for the avoidance of doubt, if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred); or

(b) if the applicable Final Terms provides that the Barrier Event (closing) provisions shall apply, each day specified as such in the applicable Final Terms.

"**Barrier Event Valuation Time (closing)**" means, in respect of each Share to be valued, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Barrier Event Valuation Time (closing) is after the actual closing time for its regular trading session, then the Barrier Event Valuation Time (closing) shall be such actual closing time.

"**Barrier Event Valuation Time (intraday)**" means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the Exchange.

"**Barrier Level**" means, in respect of a Share, such price for such Share as is specified in the applicable Final Terms.

"**Basket of Shares**" means a basket composed of Shares in their relative proportions or number of Shares, as specified in the applicable Final Terms.

"**Cash Settled Instruments**" means Instruments that entitle the holder, upon due exercise, to receive from the Issuer the Cash Settlement Amount on the Settlement Date.

"**Common Scheduled Trading Day**" means, in respect of a Basket of Shares, each day which is a Scheduled Trading Day for all the Shares in the Basket of Shares.

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

"**Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share on any relevant Related Exchange.

"**Final Price**" means, in respect of a Share, unless otherwise specified in the applicable Final Terms, the Share Closing Price of such Share on the Valuation Date, subject to adjustment in accordance with these Share Linked Conditions.

"**Initial Price**" means, in respect of a Share, unless otherwise specified in the applicable Final Terms, the Share Closing Price of such Share on the Strike Date, subject to adjustment in accordance with these Share Linked Conditions.

"**Observation Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Observation Date or, if earlier, the Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Observation Date, provided that the Observation Cut-Off Date shall not fall prior to the original date on which such Observation Date was scheduled to fall.

"**Observation Date**" means each date specified as such in the applicable Final Terms, or if such date is not a Scheduled Trading Day the immediately following Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day), or, if earlier, the Observation Cut-Off Date. If any such day is a Disrupted Day, then:

(a) where the Share Linked Instruments relate to a single Share, the Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Share, (i) the Observation Cut-Off Date shall be deemed to be such Observation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Observation Cut-Off Date;

(b) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall not be applicable, the Observation Date for each Share not affected by the occurrence of a Disrupted Day shall

be the Scheduled Observation Date (or, if earlier, the Observation Cut-Off Date) and the Observation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Share, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date for such Share (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Share as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions;

(c) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Observation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date (or if the Scheduled Observation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day, or in either case, if earlier, the Observation Cut-Off Date) and the Observation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date (or if the Scheduled Observation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day) up to and including the Observation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date for such Share (notwithstanding the fact that such day may be a Disrupted Day for a Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Share as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions; or

(d) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Observation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Share, unless each of the Common Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day for one or more Shares. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date (notwithstanding the fact that such day may be a Disrupted Day for a Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to each Share for which the Observation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Share as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions.

"**Observation Period**" means, in respect of a Share:

(a) if the consequence of "Extension" is specified in the applicable Final Terms to be applicable, each period commencing on, the Observation Period Start Date, following

adjustment of such date pursuant to these Share Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, following adjustment of such date pursuant to these Share Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms); or

(b) if the consequence of "No Extension" is specified in the applicable Final Terms to be applicable, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Share Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, prior to any adjustment of such date pursuant to these Share Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms).

"**Observation Period End Date**" means, in respect of a Share, each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the provisions of "Observation Date", "Valuation Date" or otherwise as specified in the applicable Final Terms, if applicable.

"**Observation Period Start Date**" means, in respect of a Share, each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the provisions of "Observation Date", "Valuation Date" or otherwise as specified in the applicable Final Terms, if applicable.

"**Physical Delivery Notes**" means Notes redeemed by physical delivery.

"**Related Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "Related Exchange" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share.

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Observation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

"**Scheduled Trading Day**" means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Shares**" and "**Share**" mean, subject to adjustment in accordance with these Share Linked Conditions, the shares or a share specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Share Closing Price**" means, in respect of a Share and any relevant date, subject to these Share Linked Conditions, an amount equal to the official closing price of such Share quoted on the relevant Exchange as determined by the Calculation Agent on such date.

"**Share Company**" means, in respect of a Share, the company that has issued such Share.

"**Share Performance**" means unless otherwise specified in the applicable Final Terms, in respect of a Share and any relevant date, an amount (expressed as a percentage) determined by the Calculation Agent as being equal to (a) the Share Closing Price of such Share on such day, divided by (b) the Initial Price of such Share.

"**Share Price**" means, in respect of a Share and a time on any day and subject to these Share Linked Conditions, the price of such Share at such time on such day as determined by the Calculation Agent.

"**Share Substitution Criteria**" means (and the Share Substitution Criteria shall be deemed to be satisfied if), unless otherwise provided in the applicable Final Terms, in respect of a Share and any other relevant share:

(a) the relevant issuer of such other relevant share belongs to a similar economic sector as the Share Company of such Share; and

(b) the relevant issuer of such other relevant share has a comparable market capitalisation and international standing as the Share Company in respect of such Share.

"**Strike Date**" means the date specified as such in the applicable Final Terms.

"**Trade Date**" means the date specified as such in the applicable Final Terms.

"**Trading Disruption**" means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to the Share on the Exchange or (b) in futures or options contracts relating to the Share on any relevant Related Exchange.

"**Valuation Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Valuation Date or, if earlier, the Scheduled Trading Day (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

"**Valuation Date**" means each Valuation Date specified in the applicable Final Terms or if that is not a Scheduled Trading Day the immediately following Scheduled Trading Day, (or, where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day), or, if earlier, the Valuation Cut-Off Date. If such day is a Disrupted Day, then:

(a) where the Share Linked Instruments relate to a single Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to, and including, the Valuation Cut-Off Date is a Disrupted Day. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Valuation Cut-Off Date;

(b) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall not be applicable, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to, and including, the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Share (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions;

(c) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or if the Scheduled Valuation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day, or in either case, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date (or if the Scheduled Valuation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day) up to, and including, the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Share (notwithstanding the fact that such day may be a Disrupted Day for a Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions; or

(d) where the Share Linked Instruments relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Valuation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Share, unless each of the Common Scheduled Trading Days immediately following the Scheduled Valuation Date up to, and including, the Valuation Cut-Off Date is a Disrupted Day for one or more Shares. In that case, or if the Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day for a Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to each Share for which the Valuation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions.

"**Valuation Time**" means the Valuation Time specified in the applicable Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the

relevant Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Worst Performing Share**" means, in respect of a Basket of Shares and the Valuation Date (unless otherwise specified in the applicable Final Terms), the Share with the lowest Share Performance on such day, as determined by the Calculation Agent (provided that if two or more Shares have the same lowest Share Performance on such day, the Calculation Agent shall determine which Share shall be the Worst Performing Share in its sole and absolute discretion, and such Share shall be the Worst Performing Share).

3. **Barrier Event**

(a) A "**Barrier Event (intraday)**" means (and a Barrier Event (intraday) shall be deemed to occur if), in respect of a Share, the Calculation Agent determines that the Share Price of such Share as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Share and such Barrier Event Determination Day.

For the purpose of determining whether a Barrier Event (intraday) has occurred on any day, the definition of Market Disruption Event specified in Share Linked Condition 4 shall be amended such that (i) all references to "during the one-hour period that ends at the relevant Valuation Time" shall be deleted, and (ii) in the definition of "Early Closure" appearing in Share Linked Condition 2, each reference to "Valuation Time" and "Scheduled Closing Time" shall be construed as a reference to "Barrier Event Valuation Time (intraday)".

(b) A "**Barrier Event (closing)**" means (and a Barrier Event (closing) shall be deemed to occur if), in respect of a Share, the Calculation Agent determines that the Share Closing Price of any Share as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Share and such Barrier Event Determination Day.

4. **Market Disruption**

"**Market Disruption Event**" means, in relation to a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the Valuation Time for such Share or (c) an Early Closure.

5. **Correction to Share Prices**

If the price of a Share published on any Valuation Date, Observation Date, or an Averaging Date (or other relevant date, as determined by the Calculation Agent) as the case may be, by the relevant Exchange and which is utilised for any calculation or determination made for the purposes of the Notes (a "**Relevant Calculation**") is subsequently corrected and the correction (the "**Corrected Share Price**") published by the relevant Exchange no later than two Business Days prior to the date on which payment of any amount or delivery of any assets may have to be made pursuant to such Relevant Calculation, then such Corrected Share Price shall be deemed to be the relevant price for such Share on such Averaging Date, Observation Date or Valuation Date (or other relevant date, as determined by the Calculation Agent), as the case may be, and the Calculation Agent shall use such Corrected Share Price in determining the relevant price and/or whether the Barrier Event (closing) or Barrier Event (intraday), as the case may be, has been triggered.

6. **Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency and Announcement Event**

(a) (1) "**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the applicable Final Terms, a Tender Offer) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Shares of (A) such Shares or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to holders of such Shares or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend as determined by the Calculation Agent;

(iv) a call by a Share Company in respect of relevant Shares that are not fully paid;

(v) a repurchase by the Share Company or any of its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or

(vi) in respect of a Share Company an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

(2) Following the declaration by the Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will make the corresponding adjustment, if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends stock loan rate or liquidity relative to the relevant Share) and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

(3) If "**Local Tax Adjustment**" is specified in the applicable Final Terms as being applicable, then, in its determinations of the existence and extent of any dilutive or concentrative effect on the theoretical value of the Shares of any Potential Adjustment Event, and any related adjustments to the terms of the Instruments, the Calculation Agent shall take into account any amounts of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred by an Offshore Investor in connection with such Potential Adjustment Event.

"**Local Taxes**" shall mean taxes, duties, and similar charges imposed by or that could be imposed by the taxing authority of the Local Jurisdiction as specified in the applicable Final Terms.

"**Offshore Investor**" shall mean a holder of Shares who is an institutional investor not resident in the Local Jurisdiction for the purposes of the tax laws and regulations of the Local Jurisdiction and, for the avoidance of doubt, whose jurisdiction of residence (a) shall be determined by the Calculation Agent and (b) may be the jurisdiction of residence of the Issuer or any of its affiliates or agents.

(4) Upon the making of any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, stating the adjustment to the terms of the Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

(b) "**De-listing**" means, in respect of any relevant Shares:

(i) in the case where the Exchange is not located in the United States, such Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the applicable Final Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union); or

(ii) in the case where the Exchange is located in the United States, such Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the applicable Final Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the American Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors).

If the Shares are immediately re-listed, re-traded or re-quoted on any exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange in respect of such Shares.

"**Announcement Event**" means the public announcement by the Share Company or a third party in relation to the Shares and/or the Share Company of an intention to enter into a transaction or take an action that, if such transaction or action were consummated or taken before the Relevant Event Cut-Off Date, would constitute a Merger Event, Nationalisation, Delisting or Tender Offer as determined by the Calculation Agent, regardless of whether that transaction or action is scheduled to be consummated or taken, or is actually consummated or taken, before the Relevant Event Cut-Off Date or at all. Announcements capable of falling within the description above include any announcement by the Share Company or a third party of an intention to pursue "strategic alternatives" or a similar announcement, or any subsequent announcement relating to the same subject matter (including a subsequent announcement that the relevant transaction, event or strategy will not be pursued or consummated, as the case may be).

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Share Company (i) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Shares of that Share Company become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Merger Event**" means, in respect of any relevant Shares, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Share Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before the Relevant Event Cut-off Date.

"**Relevant Event Cut-off Date**" means, in respect of (i) Cash Settled Instruments, the last occurring Valuation Date or Observation Date, as the case may be, or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Instrument or (ii) in the case of Physical Delivery Notes, the Maturity Date, or (iii) Physical Delivery W&C Instruments the relevant Settlement Date.

"**Nationalisation**" means that all the Shares or all or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Company as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

(c) If (x) a Merger Event, De-listing, Nationalisation or Insolvency occurs in relation to a Share and/or (y) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs and/or (z) if Announcement Event is specified as applicable in the applicable Final Terms, an Announcement Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Terms and Conditions and/or the applicable Final Terms to account for the De-listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Announcement Event, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Announcement Event made by any options exchange to options on the Shares traded on that options exchange and the relevant adjustments may in the case of adjustments following a Merger Event,

Tender Offer or Announcement Event include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares; or

(ii) (A) in the case of Notes, give notice to the Noteholders in accordance with Note Condition 14 and redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or

(B) in the case of W&C Instruments, cancel the W&C Instruments by giving notice to Holders in accordance with W&C Instruments Condition 12. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Announcement Event, as the case may be, less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12; or

(iii) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Announcement Event, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or

(iv) unless the applicable Final Terms provides that "Share Substitution" shall not be applicable, then on or after the relevant Merger Date, Tender Offer Date, or the date of the Nationalisation, Insolvency, De-listing or Announcement Event (as the case may be):

(A) Where the Share Linked Instruments relate to a single Share, the Calculation Agent may substitute the share (the "**Substitute Share**") selected by it in accordance with the Share Substitution Criteria in place of such Share (the "**Affected Share**") which is affected by such Merger Event, Tender Offer, Nationalisation, Insolvency, De-listing or Announcement Event and the Substitute Share will be deemed to be a "Share" and the relevant issuer of such shares, a "Share Company" for the purposes of the Instruments, and the Calculation Agent will make such adjustment, if any, to any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Instruments was to be determined by reference to the price of the Affected Share on the Trade Date (or any such other historical date specified in the applicable Final Terms), the relevant price

of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

A x (B/C)

Where:

"**A**" is the official closing price of the relevant Substitute Share on the relevant exchange, as determined by the Calculation Agent, on the date that the substitution is effected;

"**B**" is the price of the Affected Share on the Trade Date (or any such other historical date specified in the applicable Final Terms) where such price is defined in the applicable Final Terms for the purposes of calculating any value or determining any amount payable in respect of the Instruments; and

"**C**" is the official closing price of the relevant Affected Share on the relevant Exchange on the date that the substitution is effected.

(B) Where the Share Linked Instruments relate to a Basket of Shares, the Calculation Agent may adjust the basket of Shares to include a share or shares (the "**Substitute Shares**") selected by it in accordance with the Share Substitution Criteria in place of the Share(s) (the "**Affected Share(s)**") which are affected by such Merger Event, Tender Offer, Nationalisation, Insolvency, De-listing or Announcement Event and the Substitute Shares will be deemed to be "Shares" and the relevant issuer of each such share, a "Share Company" for the purposes of the Instruments, and the Calculation Agent will make such adjustment, if any, to any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Instruments was to be determined by reference to the price of the Affected Share on the Trade Date (or any such other historical date specified in the applicable Final Terms), the relevant price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

A x (B/C)

Where:

"**A**" is the official closing price of the relevant Substitute Share on the relevant exchange, as determined by the Calculation Agent on the date that the substitution is effected;

"**B**" is the price of the Affected Share on the Trade Date (or any such other historical date specified in the applicable Final Terms) where such price is defined in the applicable Final Terms for the purposes of calculating any value or determining any amount payable in respect of the Instruments; and

"**C**" is the official closing price of the relevant Affected Share on the relevant Exchange on the date that the substitution is effected.

The weighting of each Substitute Share in the basket will be equal to the weighting of the relevant Affected Share.

Upon the occurrence of a Merger Event, De-listing, Nationalisation, Insolvency, Announcement Event, or if applicable, Tender Offer, the Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, stating the occurrence of the Merger Event, Tender Offer, De-listing,

Nationalisation, Insolvency or Announcement Event, or as the case may be, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Announcement Event, as the case may be.

7. **Non-euro Quoted Shares**

In respect of Share Linked Instruments relating to Shares originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty, if such Shares are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange or, where no Exchange is specified in the applicable Final Terms, the principal market on which those Shares are traded, then the Calculation Agent will adjust any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Instruments. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this provision will affect the currency denomination of any payment obligation arising out of the Instruments.

8. **Additional Disruption Events**

(a) "**Additional Disruption Event**" means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow and/or Insolvency Filing, in each case if specified in the applicable Final Terms.

"**Change in Law**" means that, on or after the Trade Date (as specified in the applicable Final Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Share or (B) the Issuer and/or any of its Affiliates will incur a materially increased cost in performing its obligations in relation to the Share Linked Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its affiliates).

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Share Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Shares**" means the number of Shares that the Calculation Agent deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Share Linked Instruments.

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Share Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

"**Increased Cost of Stock Borrow**" means that the Issuer and/or any of its affiliates would incur a rate to borrow Shares that is greater than the Initial Stock Loan Rate.

"**Initial Stock Loan Rate**" means, in respect of a Share, the Initial Stock Loan Rate specified in relation to such Share in the applicable Final Terms.

"**Insolvency Filing**" means that a Share Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company shall not be deemed an Insolvency Filing.

"**Loss of Stock Borrow**" means that the Issuer and/or any affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

"**Maximum Stock Loan Rate**" means in respect of a Share, the Maximum Stock Loan Rate specified in the applicable Final Terms.

(b) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) (A) in the case of Notes, give notice to Holders in accordance with Note Condition 14 and redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or

(B) in the case of W&C Instruments, give notice to the Holders in accordance with W&C Instruments Condition 12 and cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Additional Disruption Event less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(c) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

(d) If the applicable Final Terms provides that "Share Substitution" is applicable, upon the occurrence of an Additional Disruption Event the provisions of Share Linked Condition

6(c)(iv)(A) or 6(c)(iv)(B) (as is applicable) shall apply in respect of an Additional Disruption Event where any reference to "Merger Event, Tender Offer, Nationalisation, Insolvency, De-listing or Announcement Event" in Share Linked Conditions 6(c)(iv)(A) and 6(c)(iv)(B) shall be replaced by "Additional Disruption Event", and any other relevant references shall be construed accordingly.

9. **Application of Dividend Conditions**

Share Linked Conditions 10 and/or 11 (as specified in the applicable Final Terms) shall only apply to any Share Linked W&C Instruments in respect of which the applicable Final Terms specify that the "Dividend Conditions" shall be applicable.

10. **Definitions (Dividend Conditions)**

"**Dividend Period**" means, in respect of the Share and:

(a) American Style Warrants, the period commencing on, but excluding, the Trade Date and ending on, and including, the Expiration Date or the Actual Exercise Date (if earlier) of such Warrant; or

(b) European Style Warrants and Certificates, the period commencing on, but excluding, the Trade Date and ending on, and including, the Exercise Date.

"**Dividend Taxes**" means, in respect of the Share and a Relevant Cash Dividend, any amounts that would have been withheld for or on account of tax if such cash dividend is paid to a Hypothetical Broker Dealer as the holder of one Share, and excluding any reduction of such tax that is available to a Hypothetical Broker Dealer pursuant to a double tax treaty or any other applicable domestic exemption, where each such tax is converted into the Settlement Currency using the relevant Exchange Rate on or around the date on which such tax is due, as determined by the Calculation Agent.

"**Ex-Dividend Date**" means, in respect of the Share and a Gross Cash Dividend in respect of such Share, the date that the Share commences trading ex-dividend in respect of such Gross Cash Dividend on the Exchange, as determined by the Calculation Agent.

"**Exchange Rate**" means the rate specified as such in the applicable Final Terms.

"**Gross Cash Dividend**" means, in respect of the Share, each sum declared by the relevant Share Company as a dividend for one such Share before the withholding or deduction of taxes at the source by or on behalf of any applicable authority having power to tax in respect of such a dividend, and shall exclude any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such dividend and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon.

"**Hypothetical Broker Dealer**" means a hypothetical broker dealer subject to the same securities laws and rules and regulations of any securities regulators, exchanges and self-regulating organisations as applicable to the Issuer or the Dealer, provided, however, that such hypothetical broker dealer is deemed not entitled to any benefits, exemption or reduction in tax pursuant to any double tax treaty or otherwise.

"**Relevant Cash Dividend**" means in respect of the Share, a Gross Cash Dividend per Share as declared by the relevant Share Company where the Ex-Dividend Date falls within the Dividend Period and the full payment in cash in respect of such Gross Cash Dividend would have been made to a Hypothetical Broker Dealer as the holder of one Share within the Dividend Period, as determined by the Calculation Agent.

11. **Additional Amounts**

Unless the W&C Instruments have previously been exercised, or purchased and cancelled in accordance with the Conditions (as supplemented and amended herein), the Issuer shall pay to the Holder of each W&C Instrument the Additional Amount in respect of such W&C Instrument on each Additional Amount Payment Date. W&C Instruments Conditions 26(A) and 26(B) (in

respect of Warrants) and W&C Instruments Conditions 33(A) and 33(B) (in respect of Certificates) shall not apply.

"**Additional Amount**" means, in respect of the Share and a Relevant Cash Dividend, an amount calculated by the Calculation Agent as:

(a) an amount equal to the difference between (i)(A) the product of the Additional Amount Proportion multiplied by the Relevant Cash Dividend per Share that would have been received by a Hypothetical Broker Dealer as the holder of one Share, divided by (B) the relevant Exchange Rate on or around the date on which such Relevant Cash Dividend would have been received by a Hypothetical Broker Dealer from the relevant Share Company, minus (ii) any Dividend Taxes; multiplied by

(b) the Number of Shares per W&C Instrument in respect of the Share.

"**Additional Amount Payment Date**" means, unless otherwise specified in the applicable Final Terms, in respect of each Additional Amount, the fifth Business Day following the date on which the corresponding Relevant Cash Dividend would have been received, from the relevant Share Company by a Hypothetical Broker Dealer as the holder of the relevant Share.

"**Additional Amount Proportion**" means the amount specified as such in the applicable Final Terms.

"**Number of Shares per W&C Instrument**" means the amount specified as such in the applicable Final Terms.

ANNEX 3

ADDITIONAL TERMS AND CONDITIONS FOR LOW EXERCISE PRICE WARRANTS

1. **Application and Interpretation**

(a) Application to Share Linked W&C Instruments

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to the relevant Share Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**"), the additional terms and conditions for Share Linked Instruments (the "**Share Linked Conditions**") and the additional terms and conditions for low exercise price warrants set out below (the "**LEPW Conditions**"), in each case subject to completion and/or amendment and/or modification in the applicable Final Terms. In the event of any inconsistency between (i) the W&C Instruments Conditions or the Share Linked Conditions and (ii) the LEPW Conditions, the LEPW Conditions shall prevail. In the event of any inconsistency between (i) the W&C Instruments Conditions, the Share Linked Conditions or the LEPW Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

(b) Application to Index Linked W&C Instruments

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to the relevant Index Linked W&C Instruments shall comprise the W&C Instruments Conditions, the additional terms and conditions for Index Linked Instruments (the "**Index Linked Conditions**") and the LEPW Conditions, in each case subject to completion and/or amendment and/or modification in the applicable Final Terms. In the event of any inconsistency between (i) the W&C Instruments Conditions or the Index Linked Conditions and (ii) the LEPW Conditions, the LEPW Conditions shall prevail. In the event of any inconsistency between (i) the W&C Instruments Conditions, the Index Linked Conditions or the LEPW Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

(c) In respect of any W&C Instruments to which the LEPW Conditions apply, the applicable Final Terms may amend and/or modify any terms, conditions and definitions specified in these LEPW Conditions, the W&C Instruments Conditions, the Share Linked Conditions and/or the Index Linked Conditions.

2. **Definitions**

Unless otherwise specified in the applicable Final Terms, for the purposes of these LEPW Conditions, the following words and expressions shall have the following meanings:

"**Actual Exercise Date**" has the meaning given to it in the W&C Instruments Conditions.

"**Additional Amount**" means, in respect of the Share and a Relevant Cash Dividend, the greater of zero and an amount calculated by the Calculation Agent as:

(a) an amount equal to the difference between (i)(A) the aggregate of 100 per cent. of the Relevant Cash Dividend per Share that would have been received by a Hypothetical Broker Dealer as the holder of one Share, divided by (B) the relevant Exchange Rate on or around the date on which such Relevant Cash Dividend would have been received by a Hypothetical Broker Dealer from the relevant Share Company, minus (ii) any Dividend Taxes or if the applicable Final Terms specify "**Dividend Taxes (PRC) Deduction**" to be applicable, any Dividend Taxes (PRC); multiplied by

(b) the Number of Shares per Warrant.

"**Additional Amount Payment Date**" means, in respect of each Additional Amount, the fifth Business Day following the date on which the corresponding Relevant Cash Dividend would

have been received, from the relevant Share Company by a Hypothetical Broker Dealer as the holder of the relevant Share.

"**Applicable Hedge Positions**" means, in respect of (i) any Share Linked W&C Instruments, the number of Shares equal to the number of W&C Instruments exercised on the relevant Actual Exercise Date multiplied by the Ratio, and (ii) any Index Linked W&C Instruments, the Related Hedging Arrangements.

"**Additional Warrants**" means further W&C Instruments issued pursuant to W&C Instruments Condition 14.

"**Business Day Convention**", in relation to any particular date, if any of the following expressions are specified in the applicable Final Terms, they shall have the following meanings in relation to any relevant day which is not a Business Day:

(a) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(b) "**Modified Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;

(c) "**Nearest**" means that the relevant date shall be the first preceding day that is a Business Day, if the relevant date would otherwise fall on a day other than a Sunday or a Monday, and will be the first following day that is a Business Day, if the relevant date would otherwise fall on a Sunday or a Monday;

(d) "**Preceding Business Day Convention**" means that the relevant date will be the first preceding day that is a Business Day; and

(e) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

"**Cost**" means, as determined by the Calculation Agent in its sole discretion, as attributed to each W&C Instrument, any brokerage commissions, stock exchange or clearing system charges or other similar charges that, directly or indirectly, would have been incurred by a Hypothetical Broker Dealer in connection with (i) the exercise of the W&C Instruments and payments in respect thereof as if such Hypothetical Broker Dealer were the issuer of the W&C Instruments; or (ii) the acquisition, holding, realisation or disposal of the Applicable Hedge Positions or any Related Hedging Arrangements as if such Hypothetical Broker Dealer were a holder of or party to the Applicable Hedge Positions or such Related Hedging Arrangements.

"**Dividend Period**" means, in respect of the Share and:

(a) American Style Warrants, the period commencing on, but excluding, the Trade Date and ending on, and including, the last day of the Exercise Period or the Actual Exercise Date (if earlier) applicable to a W&C Instrument; or

(b) European Style Warrants, the period commencing on, but excluding, the Trade Date and ending on, and including, the Exercise Date.

"**Dividend Taxes**" means, in respect of the Share and a Relevant Cash Dividend, any amounts that would have been withheld for or on account of tax if such cash dividend were paid to a Hypothetical Broker Dealer as the holder of one Share, and excluding any reduction of such tax that would have been available to a Hypothetical Broker Dealer pursuant to a double tax treaty or any other applicable domestic exemption, where each such tax is converted into the Settlement Currency using the relevant Exchange Rate on or around the date on which such tax is due, as determined by the Calculation Agent.

"**Dividend Taxes (PRC)**" means, in respect of the Share and a Relevant Cash Dividend, any amounts that would have been or could have been withheld, or otherwise incurred or paid by a

Hypothetical Broker Dealer, for or on account of tax if such cash dividend were paid to a Hypothetical Broker Dealer as the holder of one Share, and excluding any reduction of such tax that would have been available to a Hypothetical Broker Dealer pursuant to a double tax treaty or any other applicable domestic exemption, where each such tax is converted into the Settlement Currency using the relevant Exchange Rate on or around the date on which such tax is due, as determined by the Calculation Agent.

"**Ex-Dividend Date**" means, in respect of the Share and a Gross Cash Dividend in respect of such Share, the date that the Share commences trading ex-dividend in respect of such Gross Cash Dividend on the Exchange, as determined by the Calculation Agent.

"**Exchange**", in respect of: (a) Index Linked W&C Instruments, has the meaning given to it in Index Linked Condition 2 (*Definitions*) or (b) Share Linked W&C Instruments, has the meaning given to it in Share Linked Condition 2 (*Definitions*), provided that where "Pre-IPO Share" is specified as applicable in the applicable Final Terms, then "Exchange" means, in relation to a Share and as of any time from, and including, the Listing Date, each exchange or quotation system specified as such for such Share in the applicable Final Terms, or any other exchange or quotation system as selected by the Issuer in its absolute discretion and notified to the Holders in accordance with W&C Instruments Condition 12 (*Notices*) or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Rate**" means Exchange Rate 1, Exchange Rate 2 or Exchange Rate 3, as specified in the applicable Final Terms, or such other rate as specified in the applicable Final Terms.

"**Exchange Rate 1**" means, in respect of any relevant date, the prevailing rate of exchange on such date in the non-deliverable foreign exchange market for converting the Local Currency into the Settlement Currency (expressed as the number of units (or part units) of the Local Currency for which one unit of the Settlement Currency can be exchanged on a present value basis) (the "**NDF Rate**"), as quoted by a leading dealer in such non-deliverable foreign exchange market, as determined by the Calculation Agent. If no quotation of the NDF Rate is provided as requested in respect of any relevant date, the Calculation Agent shall determine the value of the Exchange Rate 1, taking into consideration all available information as it in good faith deems relevant.

"**Exchange Rate 2**" means, in respect of any relevant date, an amount equal to the (a) spot rate of exchange, or (b) bid rate of exchange, or (c) mid rate of exchange, or (d) offer rate of exchange, as specified in the applicable Final Terms, appearing on the FX Price Source at or around the FX Valuation Time on such day (expressed as the number of units (or part units) of the Local Currency for which one unit of the Settlement Currency can be exchanged (such rate, the "**Specified Rate**"), provided that if the Specified Rate is not published on the FX Price Source at or around the FX Valuation Time on such day, the Calculation Agent shall determine the value of the Exchange Rate 2, taking into consideration all available information as it in good faith deems relevant.

"**Exchange Rate 3**" means, in respect of any relevant date, the weighted average rate of exchange on such date for converting the Local Currency into the Settlement Currency (expressed as the number of units (or part units) of the Local Currency for which one unit of the Settlement Currency can be exchanged), as determined by the Calculation Agent, taking into consideration all available information as it in good faith deems relevant, which information shall include such sources selected by the Calculation Agent and/or rates of exchange as the Calculation Agent determines would be realised by a Hypothetical Broker Dealer converting into Settlement Currency any amounts received by the Hypothetical Broker Dealer as holder of the relevant Share or any amounts received in connection with a hypothetical disposition of the Applicable Hedge Positions on the Actual Exercise Date or during the Final Execution Period.

"**Exercise Period Start Date**" means the Tranche 1 Issue Date or the Listing Date as specified in the applicable Final Terms.

"**EXP**" means, in respect of any W&C Instrument, the total number of calendar days falling in the period commencing on, but excluding, the Trade Date and ending on, and including, the Actual Exercise Date for such W&C Instrument.

"**Final Execution Period**" means, in respect of any W&C Instrument, the period commencing on, and including, the Actual Exercise Date for such W&C Instrument and ending on, and including, the earliest date by which a Hypothetical Broker Dealer could realise or dispose of the entirety of its Applicable Hedge Positions in a commercially reasonable manner (such date, the "**Final Execution Date**").

"**FX Price Source**" means, in respect of a Specified Rate, the price source(s) specified in the applicable Final Terms for such Specified Rate, or if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

"**FX Valuation Time**" means such time in such place specified as such in the applicable Final Terms.

"**Gross Cash Dividend**" means, in respect of the Share, each sum declared by the relevant Share Company as a dividend for one such Share before the withholding or deduction of taxes at the source by or on behalf of any applicable authority having power to tax in respect of such a dividend, and shall exclude any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such dividend and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon.

"**Hypothetical Broker Dealer**" means a hypothetical broker dealer subject to the same securities laws and rules and regulations of any securities regulators, exchanges and self-regulating organisations as applicable to the Issuer or any of its Affiliates designated by the Issuer provided, however, that such hypothetical broker dealer is deemed not entitled to any benefit, exemption or reduction in Tax pursuant to any double tax treaty, application of netting or otherwise.

"**IN**" means the Issue Price as specified in the applicable Final Terms.

"**Listing Date**" means, in respect of a Share, the first date, as determined by the Calculation Agent, on which such Share is listed on the official list of the relevant Exchange.

"**Local Costs**" means, as determined by the Calculation Agent, the quotient of (a) any brokerage commissions, stock exchange or clearing system charges or other similar charges that would have been incurred by the Hypothetical Broker Dealer in connection with (i) the exercise of the W&C Instruments and payments in respect thereof (as if the Hypothetical Broker Dealer were the issuer of the W&C Instruments), and (ii) the acquisition, holding or disposal of the Applicable Hedge Positions, divided by (b) the Applicable Hedge Positions.

"**Local Costs (Share Closing Price)**" means, as determined by the Calculation Agent, the quotient of (a) any brokerage commissions, stock exchange or clearing system charges or other similar charges actually incurred by the Issuer or any of its Affiliates in connection with (i) the exercise of the W&C Instruments and payments in respect thereof, and (ii) the acquisition, holding or disposal of the Applicable Hedge Positions, divided by (b) the Applicable Hedge Positions.

"**Local Currency**" means the currency specified as such in the applicable Final Terms.

"***Max***" followed by a series of amounts inside brackets means whichever is the greater of the amounts separated by a semi-colon inside those brackets.

"**Multiplier**" means an amount specified as such in the applicable Final Terms, provided that if the applicable Final Terms specify "Multiplier" to be not applicable, then "Multiplier" shall be deemed to have a value of one (1), subject as may be otherwise specified in the applicable Final Terms.

"**Number of Shares per Warrant**" means the amount specified as such in the applicable Final Terms.

"**Number of Settlement Business Days**" means five Business Days or such other number of Business Days as specified in the applicable Final Terms.

"**Original Scheduled Expiration Date**" means the date specified in the applicable Final Terms.

"**PRC**" means the People's Republic of China (excluding Hong Kong, Macau and Taiwan).

"**PRC Taxes**" means, as determined by the Calculation Agent in its sole discretion, having regard to any relevant tax that the Issuer or its Affiliates could be assessed or could incur, based on professional tax advice provided to the Calculation Agent at any time, as attributed to each W&C Instrument, the gross amount of any tax (including any transfer, registration, stamp duty, capital gain taxes, value added taxes, business taxes or similar taxes), levy, impost, duty, charge, assessment or fee of any nature (including interests, penalties and additions thereon) imposed by a Taxing Authority in the PRC that a Hypothetical Broker Dealer could be assessed or could incur at any time in connection with (a) the exercise of the W&C Instruments and payments in respect thereof as if the Hypothetical Broker Dealer were the issuer of the W&C Instruments; or (b) the acquisition, holding, realisation or disposal of the Applicable Hedge Positions.

"**PRC Taxes (Share Closing Price)**" means, as determined by the Calculation Agent in its sole discretion, having regard to any professional tax advice provided to the Calculation Agent at any time, as attributed to each W&C Instrument, the gross amount of any tax (including any transfer, registration, stamp duty, capital gain taxes, value added taxes, business taxes or similar taxes), levy, impost, duty, charge, assessment or fee of any nature (including interests, penalties and additions thereon) imposed by a Taxing Authority in the PRC that the Issuer or its Affiliates could be assessed or could incur at any time in connection with (a) the exercise of the W&C Instruments and payments in respect thereof; or (b) the acquisition, holding, realisation or disposal of the Applicable Hedge Positions.

"**Rate**" means an amount specified in the Final Terms, provided that where "Rate" is specified as "Not Applicable" in the applicable Final Terms, "Rate" shall be deemed to be equal to zero, subject as may be otherwise specified in the applicable Final Terms.

"**Ratio**" means an amount specified in the applicable Final Terms, subject to adjustment in accordance with the Share Linked Conditions.

"**Record Date**" means, in respect of any distribution or payment or the determination of the rights of any Holder of the Share Linked W&C Instruments pursuant to Share Linked Condition 6(a), as amended by LEPW Condition 5 or LEPW Condition 13, as applicable, such date as determined by the Calculation Agent in its sole and absolute discretion, for the purposes of determining the Holders who are entitled to such distribution, payment or rights, as the case may be.

"**Related Exchange**" in respect of: (a) Index Linked W&C Instruments, has the meaning given to it in Index Linked Condition 2 (*Definitions*) or (b) Share Linked W&C Instruments, has the meaning given to it in Share Linked Condition 2 (*Definitions*), provided that where "Pre-IPO Share" is specified as applicable in the applicable Final Terms, then "**Related Exchange**" means, in relation to a Share and as of any time from, and including, the Listing Date, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "**Related Exchange**" shall mean in relation to such Share and as of any time from, and including, the Listing Date, each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share.

"**Related Hedging Arrangements**" means any one or more positions or contracts in securities, options, futures, derivatives, foreign exchange or other instruments or arrangements (howsoever described) that the Calculation Agent determines, in its sole discretion, a Hypothetical Broker Dealer, directly or indirectly, could purchase, sell, maintain or enter into with or through any person in order to hedge, individually or on a portfolio basis, the W&C Instruments. In making such determination, the Calculation Agent may have regard to any positions, contracts or other instruments or arrangements (howsoever described) that the Issuer or its Affiliates has entered into with any person (including the Issuer's Affiliates) in order to hedge, individually or on a portfolio basis, the obligations in respect of the W&C Instruments.

"**Relevant Cash Dividend**" means in respect of the Share, a Gross Cash Dividend per Share as declared by the relevant Share Company where the Ex-Dividend Date falls within the Dividend Period and the full payment in cash in respect of such Gross Cash Dividend would have been made to a Hypothetical Broker Dealer as the holder of one Share within the Dividend Period, as determined by the Calculation Agent.

"**Relevant Share Price**" means, where the Settlement Price specified in the applicable Final Terms is (a) "Settlement Price (Effective Price 2)", the price that, directly or indirectly, would have been realised by a Hypothetical Broker Dealer, acting in a commercially reasonable manner, in realising or disposing of the Applicable Hedge Positions on any relevant day, or (b) "Settlement Price (Share Closing Price 2)", the Share Closing Price of the Share on the Valuation Date for a W&C Instrument.

"**Scheduled Expiration Date**" means the Original Scheduled Expiration Date, or such later date as determined by the Issuer in its sole and absolute discretion and notified to the Holders in accordance with W&C Instruments Condition 12 (Notices) no later than the fifth Business Day prior to the Original Scheduled Expiration Date, provided that such later date shall not fall later than the Scheduled Expiration Cut-Off Date and, notwithstanding the foregoing, the Issuer shall have no obligation to extend the Original Scheduled Expiration Date.

"**Scheduled Expiration Cut-Off Date**" means the date specified in the applicable Final Terms.

"**Scheduled Settlement Date**" means the date specified as such in the applicable Final Terms.

"**Settlement Business Day Convention**" means the Business Day Convention specified as such in the applicable Final Terms.

"**Settlement Currency**" means the currency specified as such in the applicable Final Terms.

"**Settlement Price**" or "**STMP**" means the Settlement Price (Effective Price 1) or Settlement Price (Effective Price 2) or Settlement Price (Index Closing Level) or Settlement Price (Share Closing Price 1) or Settlement Price (Share Closing Price 2), as specified in the applicable Final Terms.

"**Settlement Price (Effective Price 1)**" means the effective price per Share determined by the Calculation Agent equal to the price that, directly or indirectly, would have been realised by a Hypothetical Broker Dealer, acting in a commercially reasonable manner, in realising or disposing of the Applicable Hedge Positions on the Actual Exercise Date or during the Final Execution Period (if the Calculation Agent determines that it would have been necessary for such Hypothetical Broker Dealer to realise or dispose of the Applicable Hedge Positions during such Final Execution Period, rather than on the Actual Exercise Date only, in order to achieve such realisation or disposal in a commercially reasonable manner) (such day, or if more than one, each such day a "**Transaction Date**") less any Cost and Tax and converted to the Settlement Currency (i) where there is one Transaction Date, at the Exchange Rate in respect of such Transaction Date (or such other day as the Calculation Agent deems relevant, in its sole and absolute discretion acting in good faith and in a commercially reasonable manner), or (ii) where there is more than one Transaction Date, for each amount realised in respect of each such Transaction Date, at the Exchange Rate in respect of such Transaction Date (or such other day as the Calculation Agent deems relevant, in its sole and absolute discretion acting in good faith and in a commercially reasonable manner).

"**Settlement Price (Effective Price 2)**" means the effective price per Share determined by the Calculation Agent equal to the Relevant Share Price on the Actual Exercise Date or during the Final Execution Period (if the Calculation Agent determines that it would have been necessary for the Hypothetical Broker Dealer to realise or dispose of the Applicable Hedge Positions during such Final Execution Period, rather than on the Actual Exercise Date only, in order to achieve such realisation or disposal in a commercially reasonable manner) (such day, or if more than one, each such day a "**Transaction Date**") less any Local Costs and PRC Taxes and the resultant amount converted to the Settlement Currency (i) where there is one Transaction Date, at the Exchange Rate in respect of such Transaction Date (or such other day as the Calculation Agent deems relevant, in its sole and absolute discretion acting in good faith and in a commercially reasonable manner), or (ii) where there is more than one Transaction Date, for each amount realised in respect of each such Transaction Date, at the Exchange Rate in respect of such Transaction Date (or such other day as the Calculation Agent deems relevant, in its sole and absolute discretion acting in good faith and in a commercially reasonable manner).

"**Settlement Price (Index Closing Level)**" means, in respect of any W&C Instrument, the Index Closing Level of the Index on the Valuation Date for such W&C Instrument less any Cost and Tax.

"**Settlement Price (Share Closing Price 1)**" means, in respect of each W&C Instrument and the Valuation Date for such W&C Instrument, the Share Closing Price of the Share on the Valuation Date for such W&C Instrument less any Cost and Tax and the resultant amount converted to the Settlement Currency at the Exchange Rate in respect of the Valuation Date (or such other day as the Calculation Agent deems relevant, in its sole and absolute discretion acting in good faith and in a commercially reasonable manner).

"**Settlement Price (Share Closing Price 2)**" means, in respect of each W&C Instrument and the Valuation Date for such W&C Instrument, the Relevant Share Price for such W&C Instrument less any Local Costs (Share Closing Price) and PRC Taxes (Share Closing Price), and the resultant amount converted to the Settlement Currency at the Exchange Rate in respect of the Valuation Date (or such other day as the Calculation Agent deems relevant, in its sole and absolute discretion acting in good faith and in a commercially reasonable manner).

"**Strike Price**" or "**STXP**" means the Exercise Price as specified in the applicable Final Terms.

"**Tax**" means, as determined by the Calculation Agent in its sole discretion, having regard to any relevant tax that the Issuer or its Affiliates could be assessed or could incur, based on professional tax advice provided to the Calculation Agent at any time, as attributed to each W&C Instrument, the gross amount of any tax (including any transfer, registration, stamp duty or capital gain taxes), levy, impost, duty, charge, assessment or fee of any nature (including interests, penalties and additions thereon) imposed by a Taxing Authority that a Hypothetical Broker Dealer, directly or indirectly, could be assessed or could incur at any time in connection with (i) the exercise of the W&C Instruments and payments in respect thereof as if the Hypothetical Broker Dealer were the issuer of the W&C Instruments; or (ii) the acquisition, holding, realisation or disposal of the Applicable Hedge Positions or any Related Hedging Arrangements as if the Hypothetical Broker Dealer were a holder of or party to the Applicable Hedge Positions or such Related Hedging Arrangements.

"**Taxing Authority**" means a governmental, regulatory or other authority having the power to tax.

"**Trade Date**" means the date specified as such in the applicable Final Terms, provided that if "Following Business Day Adjustment" is specified in the applicable Final Terms and such day is not a Business Day, the Trade Date shall be the immediately succeeding Business Day after such day.

"**Tranche 1 Issue Date**" means the date specified in the applicable Final Terms (being the issue date of the first tranche of the relevant Series of W&C Instruments).

"**Valuation Date**" means, in respect of each W&C Instrument, the Actual Exercise Date in respect of such W&C Instrument and if such day is a Disrupted Day, subject to adjustment as a "Valuation Date" in accordance with:

(a) Index Linked Conditions in the case of Index Linked W&C Instruments; or

(b) Share Linked Conditions in the case of Share Linked W&C Instruments.

3. **Cash Settlement Amount**

The Cash Settlement Amount payable on the Settlement Date in respect of each W&C Instrument shall be as specified in the applicable Final Terms or if not so specified therein, as determined in accordance with the applicable paragraph below:

(a)

(i) If "Out-performance 1" is specified to be applicable in the applicable Final Terms, the Cash Settlement Amount shall be an amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$Max\left\{0; \left[(\text{STMP} - \text{STXP}) + \left(\text{Rate} \times \text{IN} \times \frac{\text{EXP}}{365}\right)\right]\right\}$$

(ii) If "Out-performance 2" is specified to be applicable in the applicable Final Terms, the Cash Settlement Amount shall be an amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$Max\left\{0; \left[(\text{STMP} - \text{STXP}) + \left(\text{Rate} \times \text{IN} \times \frac{\text{EXP}}{360}\right)\right]\right\}$$

(b) If "Non Out-performance" is specified to be applicable in the applicable Final Terms, the Cash Settlement Amount shall be an amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$Max[0; (\text{STMP} - \text{STXP})] \times \text{Multiplier}$$

4. **Additional Amounts**

In respect of any Share Linked W&C Instruments, unless previously exercised or purchased and cancelled, the Issuer shall pay to the Holder of each Share Linked W&C Instrument the Additional Amount in respect of such Share Linked W&C Instrument on each Additional Amount Payment Date. W&C Instruments Conditions 26(A) and 26(B) shall not apply.

5. **Additional Consequences of Potential Adjustment Events**

(a) In respect of any Share Linked W&C Instruments, Share Linked Condition 6 shall apply, as amended by this LEPW Condition 5.

(b) Share Linked Condition 6(a)(2) shall be deemed to be deleted and replaced with this LEPW Condition 5(b).

Following the declaration by the relevant Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical or market value of the Share and, if so, the Calculation Agent may, in its sole and absolute discretion, take any one or more of the following actions:

(i) (A) make the corresponding adjustment(s), if any, to any one or more of the terms of the Terms and Conditions of the W&C Instruments and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share), and (B)

determine the effective date(s) of such adjustment(s). The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange; and/or

(ii) determine that the Issuer shall issue to Holders of the Warrants as of the Record Date additional Warrants or new warrants linked to the relevant Shares, at such cost, if any, to such Holders, on such terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect, subject at all times to the agreement of the Issuer and the ability of the Issuer to issue and distribute such additional Warrants or such new warrants; and/or

(iii) determine that the Issuer shall issue to Holders of the Warrants as of the Record Date new warrants linked to the share capital or other securities of another company created as a result of a spin-off or other similar transaction relating to the relevant Share Company, on such terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect, subject at all times to the agreement of the Issuer and the ability of the Issuer and such Holders respectively to issue and hold such new warrants; and/or

(iv) determine, subject at all times to the agreement of the Issuer, that the Issuer shall distribute a cash amount to Holders of the Warrants as of the Record Date, on such terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect.

(c) Share Linked Condition 6(a)(4) shall be deemed to be deleted and replaced with this LEPW Condition 5(c).

Upon making any determination under LEPW Condition 5(b), the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with W&C Instruments Condition 12 (*Notices*), giving brief details of the Potential Adjustment Event and stating the action proposed to be taken in relation thereto, and:

(i) in respect of a determination pursuant to LEPW Condition 5(b)(i), the adjustment to any one or more of the terms of the Terms and Conditions of the W&C Instruments and/or the applicable Final Terms;

(ii) in respect of a determination pursuant to LEPW Condition 5(b)(ii):

(A) the Record Date;

(B) the number of additional Warrants or new warrants to which the Holder of each W&C Instrument is entitled or the number of additional Warrants or new warrants which the Holder of each W&C Instrument is entitled to purchase, as the case may be;

(C) if any subscription monies, fees and/or charges are payable, the date on or prior to which such subscription monies, fees and/or charges, as the case may be, must be paid to the Issuer by the Holder of each W&C Instrument in order to purchase additional Warrants or new warrants, if any;

(D) the amount of such subscription monies, fees and/or charges payable by the Holder of each W&C Instrument in order to purchase additional Warrants or new warrants, if any;

(E) the date on or prior to which the Holder of each W&C Instrument must notify the Principal Warrant Agent and Merrill Lynch International or BofA Securities Europe SA, as the case may be, that it wishes to purchase any additional Warrants or new warrants, if applicable; and

(F) the account of the Issuer with the Clearing System to be credited with the amount payable by the Holders (if any);

(iii) in respect of a determination pursuant to LEPW Condition 5(b)(iii), the Record Date and the number of new warrants to which the Holder of each W&C Instrument is entitled; and

(iv) in respect of a determination pursuant to LEPW Condition 5(b)(iv), the Record Date and amount payable to the Holder of each W&C Instrument,

provided that (y) if a combination of the consequences specified in LEPW Condition 5(b) are determined by the Calculation Agent to apply, such notice shall state and set out the relevant information applicable to each applicable consequence, and (z) any failure to give, or the non-receipt of, such notice will not affect the validity of the Potential Adjustment Event or any action taken as a consequence of such Potential Adjustment Event.

(d) In the case of an issue of additional Warrants or new warrants, as the case may be, to Holders pursuant to LEPW Condition 5(b)(ii) in respect of which any subscription monies, fees and/or charges are payable, no Holder shall be entitled to receive any additional Warrants or new warrants (and the Issuer shall not be obliged to issue additional Warrants or new warrants to any Holder) unless:

(i) each of the Principal Warrant Agent and Merrill Lynch International or BofA Securities Europe SA, as the case may be, has received notice from a relevant Holder that it wishes to purchase such additional Warrants or such new warrants (a "**Notice of Purchase of Additional Warrants**") on or prior to the date specified in the relevant notice from the Calculation Agent pursuant to LEPW Condition 5(c)(ii). Such Notice of Purchase of Additional Warrants shall be given by sending an authenticated instruction by SWIFT message or by any other authorised communication channel, in accordance with the rules and operating procedures of, and in such manner as is acceptable to, Euroclear and/or Clearstream, Luxembourg, as the case may be (in consultation with the Principal Warrant Agent and, in the case of Euroclear/CBL Global Registered Warrants, the Registrar), and which shall include the information set out in Part 5 of Schedule 7 to the English Law Agency Agreement (copies of which are available for viewing and can be obtained during normal business hours at the specified offices of the relevant W&C Instrument Agents); and

(ii) the Issuer has received payment of the subscription monies on or prior to the date specified in the relevant notice.

For the avoidance of doubt, no Holder shall be obliged to purchase any additional Warrants or new warrants referred to in LEPW Condition 5(b)(ii). However, if such additional Warrants or new warrants are not purchased by the Holder of any W&C Instrument in accordance with the above provisions, the Issuer shall have no further obligation to such Holder to take any action in respect of the relevant Potential Adjustment Event or to pay any amounts in cash to any Holder in lieu thereof.

(e) In respect of any Share Linked W&C Instruments, where "Pre-IPO Share" is specified to be applicable in the applicable Final Terms:

(i) and "Share Substitution" is specified to be applicable in the applicable Final Terms in relation to such Share Linked W&C Instruments, paragraph (b) of the definition of "Share Substitution Criteria" set out in Share Linked Condition 2 (*Definitions*) shall not apply to the Share on or prior to the Listing Date; and

(ii) each reference in Share Linked Condition 6(c) (*Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency and Announcement Event*) to "De-listing" shall not apply to the Share on or prior to the Listing Date.

(f) In respect of any Share Linked W&C Instruments, where the Settlement Price specified in the applicable Final Terms is the "Settlement Price (Effective Price 2)", Share Linked

Condition 6(c)(ii)(B) (*Potential Adjustment Events, Merger Event, Tender Offer, Delisting, Nationalisation, Insolvency and Announcement Event*) shall be deemed to be deleted and replaced with the following:

"(B) in the case of W&C Instruments, cancel the W&C Instruments by giving notice to Holders in accordance with W&C Instruments Condition 12 (*Notices*). If the W&C Instruments are so cancelled the Issuer shall pay in respect of each W&C Instrument an amount equal to the Cash Settlement Amount determined by the Issuer in accordance with the provisions set out at W&C Instruments Condition 4 (*Definitions*) (as completed by the applicable Final Terms), as though the date on which such notice is deemed given in accordance with W&C Instruments Condition 12 (*Notices*) was the Actual Exercise Date for the W&C Instruments. The amount, manner and timing of any such payment shall be notified to the Holders in accordance with W&C Instruments Condition 12 (*Notices*). Other than as provided in this paragraph, no Holder shall be entitled to any payment in respect of any W&C Instrument following such cancellation thereof, and no liability in respect thereof shall attach to the Issuer, the Guarantor or the Calculation Agent; or".

(g) In respect of any Share Linked W&C Instruments, where the applicable Final Terms specify that "Special Conditions for Potential Adjustment Events" are applicable, this LEPW Condition 5(g) shall apply:

(i) In the event that a Relevant Cash Dividend in respect of the Shares is declared by the Share Company during the period from the Issue Date to but excluding the Scheduled Expiration Date, the Issuer shall, in respect of each W&C Instrument remaining outstanding and held in Euroclear or Clearstream, Luxembourg as at the relevant Additional Amount Payment Date, (A) pay an amount equal to the Additional Amount to the relevant Holder on the Additional Amount Payment Date; or (B) provided that all the W&C Instruments remaining outstanding are held by a single Holder, upon election by that Holder, in lieu of paying such Additional Amount to the Holder, issue an amount of further W&C Instruments ("**Further Warrants**") determined by the Calculation Agent, to that Holder at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith.

(ii) In the event that any Further Warrants are to be issued at an issue price, no Holder will be obliged to purchase such Further Warrants but if such Further Warrants are not purchased pursuant to the relevant terms of offer, the Issuer shall have no further obligations to the relevant Holder in respect of such Relevant Cash Dividend, as the case may be.

(iii) Upon the declaration of a Relevant Cash Dividend by the Share Company and provided that all the W&C Instruments remaining outstanding are held by a single Holder, the Calculation Agent shall give notice as soon as practicable to that Holder in accordance with W&C Instruments Condition 12 (*Notices*) stating the declaration of the Relevant Cash Dividend, the mechanism as to how and the deadline for that Holder to elect to receive payment of Additional Amount or to subscribe for Further Warrants and other details thereof.

(iv) In the event that a stock dividend in respect of the Shares or dividend in form of Shares (a "**Relevant Stock Dividend**") is declared by the Share Company during the period from the Issue Date to but excluding the Scheduled Expiration Date, the Issuer shall, in respect of each W&C Instrument remaining outstanding and held in Euroclear or Clearstream, Luxembourg as at the relevant Stock Dividend Payment Date, issue to the relevant Holder an amount of further W&C Instruments equal to the relevant number of additional Shares which would have been received by the Hypothetical Broker Dealer as holder of the Shares as dividend, less any applicable Local Dividend Tax (which shall be calculated and deducted in such manner as the Calculation Agent may determine in its sole discretion). The issue price for such further W&C Instruments shall be determined in the sole discretion of the Calculation Agent acting in good faith. Any applicable

(A) commissions, and (B) PRC Taxes will, in each case, be deducted from the proceeds from the disposal or realisation of the hedge position for such further W&C Instruments in the manner as set out in the definition of "Settlement Price (Effective Price 2)" above.

(v) For the avoidance of doubt, the Issuer's obligation to pay any such Additional Amount or issue further W&C Instruments shall be discharged in full by it making such payment or issuing such further W&C Instruments (as the case may be) to Euroclear or (as the case may be) Clearstream, Luxembourg, and neither the Issuer and the Guarantor shall be liable to any Holder in respect of any failure on the part of Euroclear or (as the case may be) Clearstream, Luxembourg to forward or account for such amount or further W&C Instruments to such Holder.

(vi) For the purposes of this LEPW Condition 5(g):

"**Local Dividend Tax**" means, in relation to any dividend per Share, ten per cent. (10%) of such dividend, or, if different, the amounts which would have been deductible from, or payable by, the Hypothetical Broker Dealer as the holder of the Shares in respect of such dividend, on account of any taxes on such dividend which would have been imposed by the PRC or applicable taxing authorities thereof on the Hypothetical Broker Dealer as the holder of such Shares, provided that, if, following the Trade Date and prior to the related ex-dividend date, the PRC or applicable taxing authorities thereof have issued written circulars/notices/guidelines to confirm that no such tax would have been deductible from, or payable by, investors including the Hypothetical Broker Dealer, then Local Dividend Tax shall be zero.

"**Stock Dividend Payment Date**" means, in relation to any Relevant Stock Dividend, five Business Days following the date the Relevant Stock Dividend would have been received by Hypothetical Broker Dealer who would have been entitled to receive it or such earlier date at the sole discretion of the Calculation Agent.

6. **Additional Disruption Events**

(a) If the applicable Final Terms specify "Change in Law Amendment" is applicable, the definition of "Change in Law" in Index Linked Condition 6(a) (*Additional Disruption Events*) and Share Linked Condition 8(a) (*Additional Disruption Events*) (as applicable) shall be deemed to be deleted and replaced with the following:

"**Change in Law**" means that, on or after the Trade Date (as specified in the applicable Final Terms) (i) due to the proposal or adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a Taxing Authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become, or there is a reasonable likelihood that it may or will become, illegal for the Issuer and/or any of its Affiliates or agents to hold, acquire or dispose of the Applicable Hedge Positions or any Related Hedging Arrangements or (B) the Issuer and/or any of its Affiliates or agents has incurred or suffered, or there is a reasonable likelihood that it may or will incur or suffer, a materially increased cost in performing its obligations in relation to the W&C Instruments (including, without limitation, due to any proposed or actual increase in tax liability, decrease in tax benefit or other potential or actual adverse effect on the tax position of the Issuer and/or any of its Affiliates or agents), a material penalty, injunction, non-financial burden, reputational harm or other material adverse consequence in connection with the holding, acquiring, establishing, re-establishing, maintaining, unwinding or disposing of the Applicable Hedge Positions or any Related Hedging Arrangements.

(b) In respect of any Share Linked W&C Instruments, where the Settlement Price specified in the applicable Final Terms is the "Settlement Price (Effective Price 2)", Share Linked

Condition 8(b)(ii)(B) (*Additional Disruption Events*) shall be deemed to be deleted and replaced with the following:

"(B) in the case of W&C Instruments, give notice to the Holders in accordance with W&C Instruments Condition 12 (*Notices*) and cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Additional Disruption Event less the cost to a Hypothetical Broker Dealer, acting in a commercially reasonable manner, of terminating, liquidating or unwinding the Applicable Hedge Positions (including any cost of funding in respect of such Applicable Hedge Positions) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12 (*Notices*)."

(c) In respect of any Share Linked W&C Instruments, where the Settlement Price specified in the applicable Final Terms is the "Settlement Price (Share Closing Price 2)", Share Linked Condition 8(b)(ii)(B) (*Additional Disruption Events*) shall be deemed to be deleted and replaced with the following:

"(B) in the case of W&C Instruments, give notice to the Holders in accordance with W&C Instruments Condition 12 (*Notices*) and cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Additional Disruption Event less the cost to the Issuer or its Affiliates, acting in a commercially reasonable manner, of terminating, liquidating or unwinding the Applicable Hedge Positions (including any cost of funding in respect of such Applicable Hedge Positions) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12 (*Notices*)."

(d) In respect of any Share Linked W&C Instruments, the definition of "Additional Disruption Event" in Share Linked Condition 8(a) (*Additional Disruption Events*) shall be deemed to be deleted and replaced with the following:

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow, Insolvency Filing, LEPW Non-compliance Event and Regulatory Order, in each case if specified in the applicable Final Terms.

(e) In respect of any Share Linked W&C Instruments, the following definitions shall be added to Share Linked Conditions 8(a) (*Additional Disruption Events*):

"**LEPW Non-compliance Event**" means, in relation to any Share Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" are applicable, where such Share Linked W&C Instruments are linked to a share that is listed and/or traded (or is proposed to be listed and/or traded) on a stock exchange in the Relevant Jurisdiction:

(i) any non-compliance with or breach, violation or contravention by a Holder of any undertakings, obligations and/or provisions of the Relevant Selling and Transfer Restrictions for the Relevant Jurisdiction;

(ii) any inaccuracy with respect to any representations made or deemed to be made by a Holder under the Relevant Selling and Transfer Restrictions for the Relevant Jurisdiction;

(iii) (a) any failure by any Holder to provide the Issuer and/or its Affiliates promptly with any information or document (including, without limitation, any "know your client" information relating to the Holder and/or its associates, affiliates or nominees), or any additional information or additional document, or

(b) any failure by any Holder to promptly comply with any request of the Issuer, the Guarantor or any of their respective Affiliates to execute any document, including, without limitation, any request to execute any side letter or representation letter, in each case that the Issuer, the Guarantor or any of their respective Affiliates reasonably deems necessary or appropriate in order to comply with regulations or requests of any governmental or regulatory authorities of the Relevant Jurisdiction from time to time,

in each case, as determined by the Issuer.

"**Relevant Jurisdiction**" means in relation to any Share Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" are applicable, that are linked to a share that is listed and/or traded (or is proposed to be listed and/or traded) on a stock exchange in a jurisdiction, such jurisdiction and if the applicable Final Terms specify "**China Connect Share LEPW Conditions**" to be applicable, for the purposes of sub-paragraph (iii)(b) of the definition of "LEPW Non-compliance Event" and the definition of "Regulatory Order", Relevant Jurisdiction shall also include Hong Kong."

"**Relevant Selling and Transfer Restrictions**" means in relation to any Share Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" are applicable and the Relevant Jurisdiction, the provisions set out immediately under the paragraph starting with "For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and…" for such Relevant Jurisdiction in the "Offering and Sale" section of the Offering Circular or such additional selling and transfer restrictions (if any) as specified in the applicable Final Terms.

The Relevant Selling and Transfer Restrictions shall be deemed to be incorporated into and form part of this LEPW Condition 6 (*Additional Disruption Events*).

"**Regulatory Order**" means in relation to any Share Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" are applicable, the governmental or regulatory authority of the Relevant Jurisdiction (i) has requested that the Issuer and/or its Affiliates or agent terminate or otherwise modify any Applicable Hedge Positions and/or any Related Hedging Arrangements, or (ii) imposes any qualitative or quantitative limitation or any other requirements in relation to (a) any Applicable Hedge Positions, and/or (b) any Related Hedging Arrangements, and/or (c) the Share Linked W&C Instruments, and/or (d) the MLBV/MLICo. Guarantee, and/or (e) the Holders and/or (f) any document or matter in relation thereto, which the Issuer reasonably determines will have a material effect on any of the foregoing."

(f) In respect of any Index Linked W&C Instruments, the definition of "Additional Disruption Event" in Index Linked Condition 6(a) (*Additional Disruption Events*) shall be deemed to be deleted and replaced with the following:

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, LEPW Non-compliance Event and/or Regulatory Order, in each case if specified in the applicable Final Terms.

(g) In respect of any Index Linked W&C Instruments, the following definitions shall be added to Index Linked Condition 6(a) (*Additional Disruption Events*):

"**LEPW Non-compliance Event**" means, in relation to any Index Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" are applicable:

(i) any non-compliance with or breach, violation or contravention by a Holder of any undertakings, obligations and/or provisions of the Relevant Selling and Transfer Restrictions for the Relevant Jurisdiction;

(ii) any inaccuracy with respect to any representations made or deemed to be made by a Holder under the Relevant Selling and Transfer Restrictions for the Relevant Jurisdiction;

(iii) (a) any failure by any Holder to provide the Issuer and/or its Affiliates promptly with any information or document (including, without limitation, any "know your client" information relating to the Holder and/or its associates, affiliates or nominees), or any additional information or additional document, or

(b) any failure by any Holder to promptly comply with any request of the Issuer, the Guarantor or any of their respective Affiliates to execute any document, including, without limitation, any request to execute any side letter or representation letter, in each case that the Issuer, the Guarantor or any of their respective Affiliates reasonably deems necessary or appropriate in order to comply with regulations or requests of any governmental or regulatory authorities of the Relevant Jurisdiction from time to time,

in each case, as determined by the Issuer.

"**Relevant Jurisdiction**" means (a) the People's Republic of China, (b) Taiwan, or (c) such other jurisdiction, in each case as specified in the applicable Final Terms.

"**Relevant Selling and Transfer Restrictions**" means in relation to any Index Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" are applicable and the Relevant Jurisdiction, the provisions set out immediately under the paragraph starting with "For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and…" for such Relevant Jurisdiction in the "Offering and Sale" section of the Offering Circular or such additional selling and transfer restrictions (if any) as specified in the applicable Final Terms.

The Relevant Selling and Transfer Restrictions shall be deemed to be incorporated into and form part of this LEPW Condition 6 (*Additional Disruption Events*).

"**Regulatory Order**" means in relation to any Index Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" are applicable, the governmental or regulatory authority of the Relevant Jurisdiction (i) has requested that the Issuer and/or its Affiliates or agent terminate or otherwise modify any Applicable Hedge Positions and/or any Related Hedging Arrangements, or (ii) imposes any qualitative or quantitative limitation or any other requirements in relation to (a) any Applicable Hedge Positions, and/or (b) any Related Hedging Arrangements, and/or (c) the Index Linked W&C Instruments, and/or (d) the MLBV/MLICo. Guarantee, and/or (e) the Holders and/or (f) any document or matter in relation thereto, which the Issuer reasonably determines will have a material effect on any of the foregoing."

7. Deduction of Cost and Taxes

If the applicable Final Terms specify "Deduction of Cost and Taxes" is applicable, all and any payments (other than any Additional Amount) made by the Issuer in respect of the W&C Instruments (including, without limitation, any payment made by the Issuer upon cancellation of the W&C Instruments) shall be made subject to (and after) deductions to account for all and any applicable Cost and Tax. Unless the applicable Final Terms specify the "Exchange Rate" to be not applicable, any amounts of Cost and Tax will be converted to the Settlement Currency at the Exchange Rate by the Calculation Agent as it deems necessary.

8. **Exercise Period**

Unless otherwise specified in the applicable Final Terms, in the case of American Style Warrants, the Exercise Period in respect of each Warrant shall commence on, and include, the Exercise Period Start Date and end on, and include, the Scheduled Expiration Date, or if the Scheduled Expiration Date is not an Exercise Business Day, the immediately succeeding Exercise Business Day, provided that where the Exercise Period Start Date specified in the applicable Final Terms is the Listing Date, if the Listing Date does not occur on or before the Scheduled Expiration Date, the Exercise Period shall be deemed to end on the Scheduled Expiration Date.

9. **Settlement Date**

The Settlement Date in relation to each W&C Instrument shall be as specified in the applicable Final Terms or determined in accordance with the applicable paragraph below:

(a) where the Settlement Price specified in the applicable Final Terms is the Settlement Price (Effective Price 1) or the Settlement Price (Effective Price 2), the Settlement Date will be the Number of Settlement Business Days following the later of (i) the Actual Exercise Date for such W&C Instrument; and (ii) the Final Execution Date; or

(b) where the Settlement Price specified in the applicable Final Terms is the Settlement Price (Share Closing Price 1) or the Settlement Price (Share Closing Price 2) or the Settlement Price (Index Closing Level), the Settlement Date will be the Number of Settlement Business Days following the Valuation Date for such W&C Instrument.

The Settlement Date in respect of each W&C Instrument exercised or deemed to be exercised on the Scheduled Expiration Date is expected as at the date of the applicable Final Terms to be the Scheduled Settlement Date, and where the applicable Final Terms specifies "Scheduled Settlement Date is Business Day Adjusted", then if the Scheduled Settlement Date is not a Business Day, the Scheduled Settlement Date shall be adjusted in accordance with the Settlement Business Day Convention specified in the applicable Final Terms and subject to any further adjustment in accordance with W&C Instruments Condition 6(A) (*General Provisions*).

10. **Additional Terms and Conditions for Low Exercise Price Warrants linked to China A share traded via the China Connect Service ("China Connect Share LEPW")**

In respect of any Share Linked W&C Instruments where the applicable Final Terms specify that "LEPW Conditions" and "China Connect Share LEPW Conditions" are applicable, LEPW Conditions 10 to 14 (the "**China Connect Share LEPW Conditions**") shall apply. In the event of any inconsistency between (i) the W&C Instruments Conditions, the Share Linked Conditions or the preceding LEPW Conditions 1 to 9 or LEPW Condition 15 and (ii) the China Connect Share LEPW Conditions, the China Connect Share LEPW Conditions shall prevail. In the event of any inconsistency between (i) the W&C Instruments Conditions, the Share Linked Conditions, the preceding LEPW Conditions 1 to 9, LEPW Condition 15 or the China Connect Share LEPW Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

In respect of any Low Exercise Price Warrants, the applicable Final Terms may amend and/or modify any terms, conditions and definitions specified in these LEPW Conditions, the W&C Instruments Conditions, the Share Linked Conditions and/or the Index Linked Conditions.

11. **Additional Definitions**

For the purposes of these China Connect Share LEPW Conditions:

"**China Connect Business Day**" means any Scheduled Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time.

"**China Connect Service**" means the securities trading and clearing links programme developed by the Exchange, SEHK, CSDCC and HKSCC, through which (i) SEHK and/or its Affiliates

provides order-routing and other related services for certain eligible securities trade on the Exchange and (ii) CSDCC and HKSCC provide clearing, settlement, depository and other services in relation to such securities.

"**CSDCC**" means China Securities Depository and Clearing Corporation.

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session, or on which the China Connect Service fails to open for order-routing during its regular order-routing session, or on which a Market Disruption Event has occurred.

"**Exchange Business Day**" means any Scheduled Trading Day (i) on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) which is a China Connect Business Day.

"**HKSCC**" means the Hong Kong Securities Clearing Company Limited.

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China.

"**Scheduled Closing Time**" means, in respect of an Exchange, Related Exchange or the China Connect Service and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, Related Exchange or the China Connect Service on such Scheduled Trading Day, without regard (in the case of any Exchange or Related Exchange) to after hours or any other trading outside of the regular trading session hours or (in the case of the China Connect Service) any after hours or any other order-routing outside of the regular order-routing session hours.

"**Scheduled Trading Day**" means any day on which (i) each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions and (ii) the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions.

"**SEHK**" means The Stock Exchange of Hong Kong Limited.

12. **Market Disruption**

"**Market Disruption Event**" means, in relation to a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, (c) a China Connect Disruption, which in each case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time for such Share, (d) an Early Closure or (e) a China Connect Early Closure.

For the purposes of the above definition of "Market Disruption Event":

"**China Connect Disruption**" means (i) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, relating to the Share on the Exchange or (ii) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in respect of Shares through the China Connect Service.

"**China Connect Early Closure**" means the closure on any China Connect Business Day of the China Connect Service prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (ii) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Valuation Time on such China Connect Business Day.

13. **Additional Consequences of Potential Adjustment Events**

In respect of any Share Linked W&C Instruments where the applicable Final Terms specify China Connect Share LEPW Conditions are applicable:

(a) LEPW Condition 5 shall apply, save that LEPW Condition 5(b) shall be amended by adding the following paragraph after LEPW Condition 5(b)(iv):

"In its determinations of the existence and extent of any dilutive or concentrative effect on the theoretical value of the Share of any Potential Adjustment Event, any actions, and any related adjustments to the Terms and Conditions and/or the applicable Final Terms, the Calculation Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such Potential Adjustment Event in respect of Share held through the China Connect Service."

(b) Share Linked Condition 6(c)(i) beginning with the words "(i) require the Calculation Agent..." shall be deemed to be deleted and replaced with this LEPW Condition 13(b):

"(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Terms and Conditions and/or the applicable Final Terms to account for the De-listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Announcement Event, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Announcement Event made by any options exchange to options on the Shares traded on that options exchange and the relevant adjustments may in the case of adjustments following a Merger Event, Tender Offer or Announcement Event include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares. In its determination of any adjustments to the Terms and Conditions and/or the applicable Final Terms to account for the economic effect on the W&C Instruments of the relevant De-listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Announcement Event, as applicable, the Calculation Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such De-listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Announcement Event in respect of the Share held through the China Connect Service; or"

14. **Additional Disruption Events**

In respect of any Share Linked W&C Instruments where the applicable Final Terms specify China Connect Share LEPW Conditions are applicable:

(a) LEPW Condition 6 shall apply, save that LEPW Condition 6(d) shall be deemed to be deleted and replaced with this LEPW Condition 14(a):

The definition of "Additional Disruption Event" in Share Linked Condition 8(a) (*Additional Disruption Events*) shall be deemed to be deleted and replaced with the following:

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow, Insolvency Filing, China Connect Share Disqualification, China Connect Service Termination, LEPW Non-compliance Event and/or Regulatory Order, in each case if specified in the applicable Final Terms.

For the purposes of the above definition of "**Additional Disruption Event**":

"**China Connect Share Disqualification**" means, on or after the Trade Date, the relevant Share ceases to be accepted as "China Connect Securities" (as defined in the rules of the exchange of SEHK) for the purpose of the China Connect Service.

"**China Connect Service Termination**" means, on or after the Trade Date, the announcement by one or more of the Exchange, SEHK, the CSDCC, HKSCC or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, the Share through the China Connect Service and the Calculation Agent determines that there is a reasonable likelihood that such suspension or termination is not, or will not be, temporary.

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Share Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s). For these purposes, "using commercially reasonable efforts" shall not require the Issuer and/or any of its Affiliates or agents to use any quota granted to the Issuer and/or its Affiliates or agents under the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.

"**LEPW Non-compliance Event**" shall have the meaning given to it in LEPW Condition 6(e), provided that if "ChiNext Share" or "STAR Market Share" is specified as applicable in the applicable Final Terms, "LEPW Non-compliance Event" shall mean in relation to any W&C Instruments:

(i) any non-compliance with or breach, violation or contravention by a Holder of any undertakings, obligations and/or provisions of the ChiNext Share Connect Selling Restrictions or the STAR Market Share Connect Selling Restrictions, as applicable;

(ii) any inaccuracy with respect to any representations made or deemed to be made by a Holder under the ChiNext Share Connect Selling Restrictions or the STAR Market Share Connect Selling Restrictions, as applicable;

(iii) (a) any failure by any Holder to provide the Issuer and/or its Affiliates promptly with any information or document (including, without limitation, any "know your client" information relating to the Holder and/or its associates, affiliates or nominees), or any additional information or additional document, or

(b) any failure by any Holder to promptly comply with any request of the Issuer, the Guarantor or any of their respective Affiliates to execute any document, including, without limitation, any request to execute any side letter or representation letter, in each case that the Issuer, the Guarantor or any of their respective Affiliates reasonably deems necessary or appropriate in order to comply with regulations or requests of any governmental or regulatory authorities of the Relevant Jurisdiction from time to time,

in each case, as determined by the Issuer. The definition of "LEPW Non-compliance Event" in LEPW Condition 6(e) shall be deemed to be amended accordingly.

"**ChiNext Share Connect Selling Restrictions**" means the provisions set out immediately under the sub-headings "ChiNext Share Connect Selling Restrictions" under the heading "People's Republic of China" in the "Offering and Sale" section of the Offering Circular or such additional selling and transfer restrictions (if any) as specified in the applicable Final Terms. ChiNext Share Connect Selling Restrictions shall be

deemed to be incorporated into and form part of this LEPW Condition 6 (*Additional Disruption Events*).

"**STAR Market Share Connect Selling Restrictions**" means the provisions set out immediately under the sub-headings "STAR Market Share Connect Selling Restrictions" under the heading "People's Republic of China" in the "Offering and Sale" section of the Offering Circular or such additional selling and transfer restrictions (if any) as specified in the applicable Final Terms. STAR Market Share Connect Selling Restrictions shall be deemed to be incorporated into and form part of this LEPW Condition 6 (*Additional Disruption Events*).

"**Regulatory Order**" shall have the meaning given to it in LEPW Condition 6(e).

(b) Share Linked Condition 8(b)(i) (*Additional Disruption Events*) beginning with the words "(i) require the Calculation Agent to determine" shall be deemed to be deleted and replaced with this LEPW Condition 14(b):

"(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment. In its determination of any adjustments to the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event, the Calculation Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such Additional Disruption Event in respect of the Share held through the China Connect Service; or"

15. **Illegality**

In respect of any W&C Instruments to which the LEPW Conditions apply, W&C Instruments Condition 9 (*Illegality*) shall be deemed to be deleted and replaced with the following:

"9. **Illegality**

If the applicable Final Terms for any W&C Instruments specify "LEPW Conditions" to be applicable, in the event that the Issuer determines in good faith that (A) (i) the performance of the Issuer's obligations under the W&C Instruments or that any arrangements made to hedge the Issuer's obligations under the W&C Instruments or (ii) the performance by the Guarantor of any of its obligations under the MLBV/MLICo. Guarantee in respect of the W&C Instruments (except for Secured W&C Instruments to which the MLBV/MLICo. Guarantee does not apply), has or will become, in whole or in part, unlawful, illegal or otherwise contrary to any present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative, judicial or regulatory authority or powers, or any change in the interpretation thereof that is applicable to the Issuer and/or (if applicable) the Guarantor, or (B) after using commercially reasonable efforts or taking commercially reasonable steps, the Issuer, the Guarantor or any of their respective Affiliates, is unable to comply with or ensure compliance with the requirements under any applicable laws, rules, regulations, governmental orders, directions or requirements of any governmental or regulatory authorities which are applicable to the relevant W&C Instruments or are applicable to the Issuer, the Guarantor or such relevant Affiliates as a result of having issued the relevant W&C Instruments, including any requirements as to an investor's eligibility to acquire or continue to hold the relevant W&C Instruments, or (C) the Issuer, the Guarantor or any of their respective Affiliates has suffered, will suffer or is likely to suffer regulatory sanction, penalty, reputational harm or other material adverse consequence in connection with the issuance of W&C Instruments and/or performance of the Issuer's obligations thereunder, the Issuer may, at its discretion, cancel the W&C Instruments by giving notice to Holders in accordance with Condition 12 (*Notices*).

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer cancels the W&C Instruments then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Holder in respect of each W&C Instrument or each Unit, as the case may be, held by such Holder, which amount shall be the fair market value of a W&C Instrument or Unit, as the case may be, notwithstanding such illegality less the cost to the Issuer and/or its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion (the "**Early Settlement Amount**"). Payment will be made in such manner as shall be notified to the Holders in accordance with Condition 12 (*Notices*)."

ANNEX 4

ADDITIONAL TERMS AND CONDITIONS FOR GDR/ADR LINKED INSTRUMENTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to GDR/ADR Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for GDR/ADR Linked Instruments set out below (the "**GDR/ADR Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. The terms and conditions applicable to GDR/ADR Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the GDR/ADR Linked Conditions, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Notes, or the W&C Instruments Conditions, in the case of W&C Instruments and the GDR/ADR Linked Conditions, the GDR/ADR Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions or the W&C Instruments Conditions and/or the GDR/ADR Linked Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the GDR/ADR Linked Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

2. **General**

The provisions of "Annex 2 – *Additional Terms and Conditions for Share Linked Instruments*" – shall apply to GDR/ADR Linked Instruments; and

(a) where the applicable Final Terms specify that "Partial Lookthrough" shall apply to a GDR or ADR as applicable, then the provisions set out in GDR/ADR Linked Condition 4 shall apply, and, in relation to such GDR or ADR respectively, the provisions of the Share Linked Conditions shall be deemed to be amended and modified as set out in GDR/ADR Linked Condition 4; or

(b) where the applicable Final Terms specify that "Full Lookthrough" shall apply to a GDR or ADR as applicable, then the provisions set out in GDR/ADR Linked Condition 5 shall apply, and, in relation to such GDR or ADR respectively, the provisions of the Share Linked Conditions shall be deemed to be amended and modified as set out in GDR/ADR Linked Condition 5.

3. **Definitions**

For the purposes of these GDR/ADR Linked Conditions:

"**Deposit Agreement**" means, in relation to the Shares, the agreements or other instruments constituting the Shares, as from time to time amended or supplemented in accordance with their terms.

"**Depository**" means:

(a) if GDR/ADR Linked Condition 4 is applicable, the Share Company of the Shares; or

(b) if GDR/ADR Linked Condition 5 is applicable, the Share Company in respect of the Shares or any successor issuer of the Shares from time to time.

"**DR Amendment**" means, where specified as applicable to a definition or provision, that the following changes shall be made to such definition or provision: (a) all references to "Shares" shall be deleted and replaced with the words "Shares and/or the Underlying Shares"; and (b) all references to "Share Company" shall be deleted and replaced with the words "Share Company or Underlying Shares Issuer, as appropriate".

"**Underlying Shares**" means the shares or other securities which are the subject of the Deposit Agreement.

"**Underlying Shares Issuer**" means the issuer of the Underlying Shares.

4. **Partial Lookthrough**

(a) The definition of "Potential Adjustment Event" in Share Linked Condition 6(a) shall be amended as follows:

(i) the DR Amendment shall be made, provided that an event under (i) to (vii) of the definition of "Potential Adjustment Event" in respect of the Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Calculation Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares;

(ii) "." shall be deleted where it appears at the end of (vii) in the definition of "Potential Adjustment Event" and replaced with "; or "; and

(iii) the following shall be inserted as provision (viii): "(viii) the making of any amendment or supplement to the terms of the Deposit Agreement.".

(b) In making any adjustment following any Potential Adjustment Event, the Calculation Agent may (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement. If the Calculation Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Holders that the relevant consequence shall be the early redemption, exercise or settlement, as the case may be, of the Instruments and the Issuer shall:

(i) in the case of Notes, on giving notice to the Noteholders in accordance with Note Condition 14, redeem all (but not less than all) of the Notes, each Note being redeemed at the Early Redemption Amount; or

(ii) in the case of W&C Instruments, on giving notice to Holders in accordance with W&C Instruments Condition 12, cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Potential Adjustment Event, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(c) If a Potential Adjustment Event specified under (viii) of the definition of "Potential Adjustment Event" (as amended by (a) above) has occurred then the following amendments shall be deemed to be made to the Share Linked Conditions in respect of such Potential Adjustment Event:

(i) the words "has a diluting or concentrative effect on the theoretical value of the Shares" shall be deleted and replaced with the words "has an economic effect on the Instruments"; and

(ii) the words "determines appropriate to account for that diluting or concentrative effect" shall be deleted and replaced with the words "determines appropriate to account for such economic effect on the Instruments".

(d) The definitions of "Merger Event" and "Tender Offer" shall be amended in accordance with the DR Amendment.

(e) If (i) a Merger Event occurs in relation to a Share and/or (ii) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs, the Issuer in its sole and absolute discretion may take the action described in Share Linked Condition 6(c).

(f) Following the declaration by the Underlying Shares Issuer of the terms of any Merger Event or Tender Offer, then in each case where the Calculation Agent makes an adjustment to the Instruments the Calculation Agent may (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement.

(g) The definitions of "Nationalisation", "Insolvency" and "De-listing" shall be amended in accordance with the DR Amendment.

(h) Notwithstanding anything to the contrary in the definition of "De-listing", a De-listing shall not occur in respect of the Underlying Shares if the Underlying Shares are immediately re-listed, re-traded or re-quoted on an exchange or quotation system regardless of the location of such exchange or quotation system.

(i) If a De-listing Nationalisation or Insolvency occurs in relation to the Underlying Shares or the Underlying Shares Issuer, the Issuer in its sole and absolute discretion may take the action described in Share Linked Condition 6(c).

(j) The paragraph in Share Linked Condition 6(c) which provides as follows: "If (x) a Merger Event, De-listing, Nationalisation or Insolvency occurs in relation to a Share and/or (y) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:" shall be deemed to be replaced by "If (x) a Merger Event, the announcement by the Depository that the Deposit Agreement is (or will be) terminated, De-listing, Nationalisation or Insolvency occurs in relation to a Share and/or (y) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:".

(k) Each reference to "Merger Event" in Share Linked Condition 6(c)(i), (ii), (iii) and (iv) shall be deemed to be replaced with a reference to "Merger Event, the announcement by the Depository that the Deposit Agreement is (or will be) terminated,".

(l) If Hedging Disruption and Increased Cost of Hedging are specified as being applicable in the applicable Final Terms, the definitions of "Hedging Disruption" and "Increased Cost of Hedging" in Share Linked Condition 8(a) shall each be amended as follows:

(i) the words "any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Share Linked Instruments" shall be deleted and replaced with the words "any Share(s)"; and

(ii) the words "any such transaction(s) or asset(s)" shall be deleted and replaced with the words "any Share(s)".

(m) If Insolvency Filing is specified as being applicable in the applicable Final Terms, the definition of "Insolvency Filing" in Share Linked Condition 8(a) shall be amended in accordance with the DR Amendment.

(n) For the avoidance of doubt, where a provision is amended pursuant to this GDR/ADR Linked Condition 4 in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Shares or the Underlying Shares Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

5. **Full Lookthrough**

(a) The definition of "**Potential Adjustment Event**" in Share Linked Condition 6(a) shall be amended as follows:

(i) the DR Amendment shall be made, provided that an event under (i) to (vii) of the definition of "Potential Adjustment Event" in respect of the Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Calculation Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares;

(ii) "." shall be deleted where it appears at the end of (vii) in the definition of "Potential Adjustment Event" and replaced with "; or"; and

(iii) the following shall be inserted as provision (viii): "(viii) the making of any amendment or supplement to the terms of the Deposit Agreement.".

(b) In making any adjustment following any Potential Adjustment Event, the Calculation Agent may (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement. If the Calculation Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Holders that the relevant consequence shall be early redemption, exercise or settlement, as the case may be, of the Instruments and the Issuer shall:

(i) in the case of Notes, on giving notice to the Noteholders in accordance with Note Condition 14, redeem all (but not less than all) of the Notes, each Note being redeemed at the Early Redemption Amount; or

(ii) in the case of W&C Instruments, on giving notice to Holders in accordance with W&C Instruments Condition 12, cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Potential Adjustment Event, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(c) If a Potential Adjustment Event specified under (viii) of the definition of "Potential Adjustment Event" (as amended by (a) above) then the following amendments shall be deemed to be made to Share Linked Condition 6 in respect of such Potential Adjustment Event:

(i) the words "determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares" shall be deleted and replaced with the words "determine whether such Potential Adjustment Event has an economic effect on the Instruments"; and

(ii) the words "determines appropriate to account for that diluting or concentrative effect" shall be deleted and replaced with the words "determines appropriate to account for such economic effect on the Instruments".

(d) The definitions of "Merger Event" and "Tender Offer" shall be amended in accordance with the DR Amendment.

(e) If (i) a Merger Event occurs in relation to a Share and/or (ii) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs, the Issuer in its sole and absolute discretion may take the action described in Share Linked Condition 6(c).

(f) Following the declaration by the Underlying Shares Issuer of the terms of any Merger Event or Tender Offer in relation to the Underlying Shares, then in each case where the Calculation Agent makes an adjustment to the Instruments the Calculation Agent shall (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement.

(g) The definitions of "Nationalisation", "Insolvency" and "Delisting" shall be amended in accordance with the DR Amendment.

(h) If a De-listing, Nationalisation or Insolvency occurs in relation to the Underlying Shares or the Underlying Shares Issuer, the Issuer in its sole and absolute discretion may take the action described in Share Linked Condition 6(c).

(i) The paragraph in Share Linked Condition 6(c) which provides as follows: "If (x) a Merger Event, De-listing, Nationalisation or Insolvency occurs in relation to a Share and/or (y) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:" shall be deemed to be replaced by " If (x) a Merger Event, the announcement by the Depository that the Deposit Agreement is (or will be) terminated, De-listing, Nationalisation or Insolvency occurs in relation to a Share and/or (y) if Tender Offer is specified as applicable in the applicable Final Terms, a Tender Offer occurs, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:".

(j) Each reference to "Merger Event" in Share Linked Condition 6(c) shall be deemed to be replaced with a reference to "Merger Event, the announcement by the Depository that the Deposit Agreement is (or will be) terminated,".

(k) The definition of any Additional Disruption Event specified as applicable in the applicable Final Terms shall be amended in accordance with the DR Amendment.

(l) If applicable, the definition of "Hedging Shares" in Share Linked Condition 8(a) shall be amended in accordance with the DR Amendment.

(m) For the purpose of determining whether a Market Disruption Event has occurred in respect of the Share, the following amendments shall be deemed to be made to the Share Linked Conditions:

(i) each reference to the "Exchange" in the definitions of "Exchange Business Day", "Scheduled Closing Time", "Scheduled Trading Day", "Trading Disruption", "Exchange Disruption" and "Early Closure" shall be deemed to include a reference to the primary exchange or quotation system on which the Underlying Shares are traded, as determined by the Calculation Agent; and

(ii) the definitions of "Market Disruption Event", "Trading Disruption", "Exchange Disruption" and "Related Exchange" shall be amended in accordance with the DR Amendment.

(n) For the avoidance of doubt, where a provision is amended pursuant to this GDR/ADR Linked Condition 5 in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Shares or the Underlying Shares Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

ANNEX 5

ADDITIONAL TERMS AND CONDITIONS FOR FX LINKED INSTRUMENTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to FX Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for FX Linked Instruments set out below (the "**FX Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. The terms and conditions applicable to FX Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the FX Linked Conditions, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Notes, or the W&C Instruments Conditions, in the case of W&C Instruments and the FX Linked Conditions, the FX Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions or the W&C Instruments Conditions and/or the FX Linked Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the FX Linked Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

2. **Definitions**

"**Administrator/Benchmark Event**" means, in respect of any rate or price source used to determine the Currency Price, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of such rate or price source used to determine the Currency Price or the administrator or sponsor of such rate or price source used to determine the Currency Price has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any affiliate engaged in hedging transactions relating to the Instruments is not, or will not be, permitted under any applicable law or regulation to use such rate or price source used to determine the Currency Price to perform its or their respective obligations under the Instruments or any related hedging transactions.

"**Administrator/Benchmark Event Date**" means, in respect of any rate or price source used to determine the Currency Price and an Administrator/Benchmark Event, the date on which the authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is:

(a) required under any applicable law or regulation; or

(b) rejected, refused, suspended or withdrawn, if the applicable law or regulation provides that such rate or price source used to determine the Currency Price is not permitted to be used under the Instruments or related hedging transactions following rejection, refusal, suspension or withdrawal,

or, in each case, if such date occurs before the Strike Date, the Strike Date.

"**Averaging Cut-Off Date**" means, in respect of an Averaging Date, the fifth FX Business Day immediately following the original date on which the final Averaging Date was scheduled to fall, or, if earlier, the FX Business Day falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Averaging Date, provided that the Averaging Cut-Off Date shall not fall prior to the original date on which such final Averaging Date was scheduled to fall.

"**Averaging Date**" means each Averaging Date specified in the applicable Final Terms, or, if that is not an FX Business Day the first following day which is an FX Business Day, or, if earlier the Averaging Cut-Off Date (such day, the "**Scheduled Averaging Date**" corresponding to such

Averaging Date). If an Averaging Date falls on the Averaging Cut-Off Date, then, subject to the applicable Final Terms, the next applicable Disruption Fallback specified as a consequence of an FX Market Disruption Event shall apply (as if an FX Market Disruption Event had occurred), or, if none is specified, Calculation Agent Determination shall be deemed to apply.

"**Base Currency**" means the currency specified as such in the applicable Final Terms.

"**Calculation Agent Determination**" means, in respect of a Currency Price and any relevant day, that such Currency Price for such relevant day (or a method for determining such Currency Price) will be determined by the Calculation Agent taking into consideration all available information that in good faith it deems relevant.

"**Currency Price**" means, in relation to each Instrument or Unit, as the case may be, the Currency Price specified in the applicable Final Terms, or if not so specified in the applicable Final Terms, in respect of each Subject Currency, an amount equal to the spot rate of exchange appearing on the FX Price Source at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged).

"**Currency-Reference Dealers**" means, in respect of any relevant day, that the Calculation Agent will request each of the Reference Dealers to provide a quotation of its rate at which it will buy one unit of the Base Currency in units of the Subject Currency at the applicable Valuation Time on such relevant day. If, for any such rate, at least two quotations are provided, the relevant rate will be the arithmetic mean of the quotations. If fewer than two quotations are provided for any such rate, the relevant rate will be the arithmetic mean of the relevant rates quoted by major banks in the relevant market, selected by the Calculation Agent at or around the applicable Valuation Time on such relevant day.

"**Disruption Fallback**" means, in respect of a Currency Price, Calculation Agent Determination, Currency-Reference Dealers, EM Fallback Valuation Postponement, EM Valuation Postponement, Fallback Reference Price, Other Published Sources, Postponement and/or such other sources or methods specified as such or otherwise determined as an alternative basis for determining such Currency Price as may be provided in the applicable Final Terms. The applicable Disruption Fallback in respect of a Currency Price shall be as specified in the applicable Final Terms, and if two or more Disruption Fallbacks are specified, unless otherwise provided in the Final Terms, such Disruption Fallbacks shall apply in the order specified in the applicable Final Terms, such that if the Calculation Agent determines that the Currency Price cannot be determined by applying one Disruption Fallback, then the next Disruption Fallback specified shall apply.

"**Fallback Reference Price(s)**" means, in respect of a Currency Price, that the Currency Price for the relevant date will be the alternate price source(s) specified in the applicable Final Terms for such Currency Price, applied in the order specified in the applicable Final Terms.

"**FX Business Day**" means, in respect of a Currency Price, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits), or but for the occurrence of an FX Market Disruption Event in respect of such Currency Price would have settled payments and been open for general business, in each of the Specified Financial Centres for such Currency Price, as specified in the applicable Final Terms.

"**FX Disrupted Day**" means any FX Business Day on which an FX Market Disruption Event occurs.

"**FX Market Disruption Event**" means:

(a) in respect of a Currency Price, the occurrence or existence, as determined by the Calculation Agent in its sole and absolute discretion, of any FX Price Source Disruption and/or Administrator/Benchmark Event Date and/or, if specified as applicable in the

Final Terms, any FX Trading Suspension or Limitation and/or any Inconvertibility Event and/or any other event specified as applicable in the applicable Final Terms; and

(b) if the applicable Final Terms provide that the EM Currency Provisions shall apply to a Currency Price, in respect of such Currency Price, the occurrence or existence, as determined by the Calculation Agent in its sole and absolute discretion, of any FX Price Source Disruption and/or Administrator/Benchmark Event Date and/or, if specified as applicable in the Final Terms, any Price Materiality Event and/or any Inconvertibility Event and/or any Non-Transferability Event and/or any other event specified as applicable in the applicable Final Terms.

"**FX Price Source(s)**" means, in respect of a Currency Price, the price source(s) specified in the applicable Final Terms for such Currency Price, or if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

"**FX Price Source Disruption**" means it becomes impossible or otherwise impracticable to obtain and/or execute the relevant rate(s) required to calculate the Currency Price on the Averaging Date or Valuation Date or other relevant date, or, if different, the day on which rates for that Averaging Date or Valuation Date or other relevant date, as the case may be, would in the ordinary course be published or announced by the relevant FX Price Source.

"**FX Trading Suspension or Limitation**" means the suspension of and/or limitation of trading in the rate(s) required to calculate the relevant Currency Price in the Interbank Market provided that such suspension or limitation of trading is material in the opinion of the Calculation Agent.

"**Inconvertibility Event**" means the occurrence, as determined by the Calculation Agent in its sole and absolute discretion, of any action, event or circumstance whatsoever which, from a legal or practical perspective:

(a) has the direct or indirect effect of hindering, limiting or restricting (i) the convertibility of the relevant Subject Currency into the Base Currency, or (ii) the transfer of the Subject Currency or the Base Currency to countries other than the countries for which the Subject Currency or the Base Currency, as the case may be, is the lawful currency (including without limitation, by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions); and/or

(b) results in the unavailability of any relevant Base Currency or Subject Currency in the interbank foreign exchange market in any Specified Financial Centre(s) in accordance with normal commercial practice.

"**Interbank Market**" means the over-the-counter foreign exchange spot market open continuously from and including 5.00 a.m., Sydney time, on a Monday in any week to and including 5.00 p.m., New York time, on the Friday of such week.

"**Maximum Days of Postponement**" means five (5) FX Business Days or such other number of FX Business Days (or other type of days) as specified in the applicable Final Terms.

"**Non-Transferability Event**" means the occurrence, as determined by the Calculation Agent in its sole and absolute discretion, of any event that generally makes it impossible to deliver (a) the Base Currency from accounts inside the Subject Currency Jurisdiction to accounts outside the Subject Currency Jurisdiction or (b) the Subject Currency between accounts inside the Subject Currency Jurisdiction or to a party that is a non-resident of the Subject Currency Jurisdiction.

"**Other Published Sources**" means, in respect of any relevant day, that the Calculation Agent will determine the Currency Price on such relevant day on the basis of the exchange rate for one unit of the Base Currency in terms of the Subject Currency published by available recognised financial information vendors (as selected by the Calculation Agent) other than the applicable FX Price Source, at or around the applicable Valuation Time on such relevant day.

"**Postponement**" means, in respect of a Valuation Date or an Averaging Date, if such day (or, if applicable, if the original day on which such Valuation Date or an Averaging Date, as the case may be, is scheduled to fall (as specified in the applicable Final Terms) is postponed on account of such original day not being an FX Business Day, such postponed day) is an FX Disrupted Day, then:

(a) where the FX Linked Instruments relate to a single Currency Price, such Valuation Date or Averaging Date, as the case may be, shall be the first succeeding FX Business Day that is not an FX Disrupted Day, unless the Calculation Agent determines that each of the consecutive FX Business Days equal in number to the Maximum Days of Postponement immediately following such Scheduled Valuation Date or Scheduled Averaging Date, as the case may be, is an FX Disrupted Day. In that case, (i) that last consecutive FX Business Day shall be deemed to be the Valuation Date or the Averaging Date, as the case may be (notwithstanding the fact that such day may be an FX Disrupted Day) and (ii) the next applicable Disruption Fallback shall apply; or

(b) where the FX Linked Instruments relate to a Basket of Currency Prices, such Valuation Date or Averaging Date, as the case may be, for each Currency Price not affected by the occurrence of an FX Disrupted Day shall be the Scheduled Valuation Date or Scheduled Averaging Date, as the case may be, and the Valuation Date for each Currency Price affected (each an "**Affected Currency Price**") by the occurrence of an FX Disrupted Day shall be the first succeeding FX Business Day that is not an FX Disrupted Day relating to the Affected Currency Price, unless the Calculation Agent determines that each of the consecutive FX Business Days equal in number to the Maximum Days of Postponement immediately following such Scheduled Valuation Date or Scheduled Averaging Date, as the case may be, is an FX Disrupted Day. In that case for each Affected Currency Price, (i) that last consecutive FX Business Day shall be deemed to be the Valuation Date or the Averaging Date, as the case may be (notwithstanding the fact that such day may be an FX Disrupted Day) and (ii) the next applicable Disruption Fallback shall apply.

"**Price Materiality Event**" means, in respect of a Currency Price and a Valuation Date, Averaging Date or other relevant date, that the FX Price Source differs from the Fallback Reference Price by at least the Price Materiality Percentage (and if both an FX Price Source Disruption and a Price Materiality Event occur or exist on any day, it shall be deemed that an FX Price Source Disruption and not a Price Materiality Event occurred or existed on such day).

"**Price Materiality Percentage**" means the percentage specified as such in the applicable Final Terms.

"**Reference Dealers**" means, in respect of each Subject Currency, four leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent (or any other number of dealers as specified in the applicable Final Terms).

"**Specified Financial Centre(s)**" means the financial centre(s) specified in the applicable Final Terms.

"**Strike Date**" means the date specified as such in the applicable Final Terms.

"**Subject Currency**" means the currency specified as such in the applicable Final Terms.

"**Subject Currency Jurisdiction**" means the country for which the Subject Currency is the lawful currency.

"**Valuation Cut-Off Date**" means, in respect of a Valuation Date, the fifth FX Business Day immediately following the original date on which such Valuation Date was scheduled to fall, or, if earlier, the FX Business Day falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

"**Valuation Date**" means:

(a) if the applicable Final Terms specify that the EM Currency Provisions shall not apply to a Currency Price, each Valuation Date specified in the applicable Final Terms or if that is not an FX Business Day the first following day which is an FX Business Day, or, if earlier the Valuation Cut-Off Date (such day, the "**Scheduled Valuation Date**" corresponding to such Valuation Date). If a Valuation Date falls on the Valuation Cut-Off Date, then, subject to the applicable Final Terms, the first applicable Disruption Fallback specified as a consequence of an FX Market Disruption Event shall apply (as if an FX Market Disruption Event had occurred), or, if none is specified, Calculation Agent Determination shall be deemed to apply; or

(b) if the applicable Final Terms specify that the EM Currency Provisions shall apply to a Currency Price, each Valuation Date specified in the applicable Final Terms (the "**Scheduled Valuation Date**" in respect of such Currency Price, if such day is an FX Business Day for such Currency Price, or if such day is not an FX Business Day only by reason of being an Unscheduled Holiday for such Currency Price), or the immediately preceding FX Business Day for such Currency Price, as determined by the Calculation Agent (the "**Scheduled Valuation Date**" in respect of such Currency Price, if such day is not an FX Business Day and is not an Unscheduled Holiday for such Currency Price), provided that such Valuation Date shall be subject to adjustment in accordance with FX Linked Condition 3 and FX Linked Condition 4.

"**Valuation Time**" means the Valuation Time specified in the applicable Final Terms.

3. **Consequences of an FX Disrupted Day**

If the Calculation Agent determines that any Valuation Date or Averaging Date is an FX Disrupted Day, then the Currency Price for such Valuation Date or Averaging Date will be determined in accordance with the terms of the first applicable Disruption Fallback. The applicable Final Terms may provide that one or more Disruption Fallbacks may apply to any Valuation Date or Averaging Date and that such applicable Disruption Fallbacks may apply concurrently or sequentially, in such manner as specified in the applicable Final Terms.

4. **EM Currency Provisions: Unscheduled Holiday**

(a) If the applicable Final Terms provide that the EM Currency Provisions shall apply to a Currency Price or Fallback Reference Price, as applicable, and any Valuation Date or Averaging Date, and that Unscheduled Holidays shall be applicable, then, if the Calculation Agent determines that the relevant Scheduled Valuation Date or Scheduled Averaging Date, as applicable (each, a "**Scheduled Reference Date**"), is an Unscheduled Holiday for such Currency Price or Fallback Reference Price, then the Valuation Date or Averaging Date shall be postponed to the first FX Business Day falling after the Scheduled Reference Date (the "**Adjusted Scheduled Reference Date**"), provided that if such first FX Business Day has not occurred on or before the last day of the Maximum Days of Deferral, then the next day after the Last Deferred Day that would have been an FX Business Day but for a Unscheduled Holiday shall be deemed to be the Adjusted Scheduled Reference Date.

(b) The following terms and expressions shall have the following meanings:

"**Last Deferred Day**" means, in respect of any postponement by a number of days equal to the Maximum Days of Deferral, the last day to which such day is postponed.

"**Maximum Days of Deferral**" means such number of calendar days (or other type of days) as specified in the applicable Final Terms.

"**Unscheduled Holiday**" means, in respect of a Currency Price or Fallback Reference Price, as applicable, a day that is not an FX Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9.00 a.m., local time in the Specified

Financial Centre in respect of such Currency Price or Fallback Reference Price, two FX Business Days prior to such day.

5. **EM Currency Provisions: EM Valuation Postponement**

If the applicable Final Terms provide that the EM Currency Provisions shall apply to a Currency Price (which term shall include, where the Final Terms provide that the prior applicable Disruption Fallback is "Fallback Reference Price", the Currency Price determined using the applicable Fallback Reference Price) and any Valuation Date or Averaging Date, and that EM Valuation Postponement shall be applicable, then, if the Calculation Agent determines that the relevant Scheduled Reference Date (if the Scheduled Reference Date is not an Unscheduled Holiday for the Currency Price) or the Adjusted Scheduled Reference Date (if the Scheduled Reference Date is an Unscheduled Holiday for the Currency Price) is an FX Disrupted Day, then such Valuation Date or Averaging Date shall be the first FX Business Day which is not an FX Disrupted Day unless an FX Market Disruption Event continues to exist (measured from such Scheduled Reference Date or Adjusted Scheduled Reference Rate, as applicable) for a consecutive number of calendar days equal to the Maximum Days of EM Valuation Postponement. In that case, the Currency Price will be determined on the next FX Business Day after the Maximum Days of EM Valuation Postponement in accordance with the next applicable Disruption Fallback as specified in the applicable Final Terms.

Where:

"**Maximum Days of EM Valuation Postponement**" means such number of calendar days (or other type of days) as specified in the applicable Final Terms.

6. **EM Currency Provisions: EM Fallback Valuation Postponement**

If the applicable Final Terms provide that the EM Currency Provisions shall apply and that EM Fallback Valuation Postponement shall be applicable and where the Final Terms provide that the prior applicable Disruption Fallback is "Fallback Reference Price", if the Calculation Agent determines that the Currency Price (as determined by reference to the applicable Fallback Reference Price) is not available on (a) the first FX Business Day following the end of the Maximum Days of EM Valuation Postponement (where an FX Market Disruption Event has occurred or exists in respect of the Currency Price throughout the Maximum Days of EM Valuation Postponement) or (b) on the Adjusted Scheduled Reference Date (where the Adjusted Scheduled Reference Date falls after the Last Deferred Day) then the Valuation Date or Averaging Date shall be the first succeeding FX Business Day which is not an FX Disrupted Day in respect of the Currency Price unless an FX Market Disruption Event continues to exist throughout the Fallback Maximum Period of Postponement. In that case, the Currency Price will be determined on the Last Fallback Postponement Date in accordance with the next applicable Disruption Fallback.

Where:

"**Fallback Maximum Period of Postponement**" means the period commencing on, and including:

(a) if an FX Market Disruption Event has occurred or exists in respect of the Currency Price throughout the Maximum Days of EM Valuation Postponement, the first FX Business Day following the end of the Maximum Days of EM Valuation Postponement; or

(b) if the Adjusted Scheduled Reference Date falls after the Last Deferred Day, the Adjusted Scheduled Reference Date,

and ending on, and including, the third FX Business Day (or such other day as specified in the applicable Final Terms) following such date as specified in paragraphs (a) and (b) above, as applicable (such date, the "**Last Fallback Postponement Date**").

7. **EM Currency Provisions: Cumulative Events**

If the applicable Final Terms provide that the EM Currency Provisions shall apply to a Currency Price and any Valuation Date or Averaging Date, and that Cumulative Events shall be applicable, then the total number of consecutive calendar days during which (a) such Valuation Date or Averaging Date is deferred due to an Unscheduled Holiday, (b) an EM Valuation Postponement shall occur in respect of such Valuation Date or Averaging Date, or (c) an EM Fallback Valuation Postponement shall occur in respect of such Valuation Date or Averaging Date (or any combination of (a), (b) and (c)), shall not exceed the Maximum Days of Cumulative Postponement in the aggregate. Accordingly, (i) if such Valuation Date or Averaging Date is postponed by the number of calendar days equal to the Maximum Days of Cumulative Postponement owing to an EM Valuation Postponement or EM Fallback Valuation Postponement (or both), and an Unscheduled Holiday shall have occurred or be continuing on the day following the relevant Last Postponed Day that otherwise would have been an FX Business Day, then such day shall be deemed to be such Valuation Date or Averaging Date and (ii) if such Valuation Date or Averaging Date is postponed by the number of calendar days equal to the Maximum Days of Cumulative Postponement owing to Unscheduled Holidays, and on the first day after the Last Postponed Day, an applicable FX Market Disruption Event shall have occurred or be continuing, then the Currency Price in respect of such Valuation Date or Averaging Date or other relevant date shall be determined in accordance with the next applicable Disruption Fallback.

Where:

"**Last Postponed Day**" means, in respect of any postponement by a number of days equal to the Maximum Days of Cumulative Postponement, the last day to which such day is postponed; and

"**Maximum Days of Cumulative Postponement**" means such number of calendar days (or other type of days) as specified in the applicable Final Terms.

8. **Corrections to Published and Displayed Rates**

(a) In any case where a Currency Price is based on information obtained from the Reuters Monitor Money Rates Service, or any other financial information service, the Currency Price will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

(b) Notwithstanding FX Linked Condition 8(a), in any case where the Currency Price is based on information published or announced by any governmental authority in a relevant country, the Currency Price will be subject to the corrections, if any, to that information subsequently published or announced by that source within five calendar days of the relevant date, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

9. **Successor Currency**

Where the applicable Final Terms specify that "Successor Currency" is applicable in respect of a Currency Price, then:

(a) each Subject Currency and Base Currency will be deemed to include any lawful successor currency to the Subject Currency or Base Currency (the "**Successor Currency**");

(b) if the Calculation Agent determines that on or after the Issue Date (or such other date as specified in the applicable Final Terms) but on or before any relevant date under the Instruments on which an amount may be payable, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Issue Date or any Successor Currency, as the case may be (the "**Original Currency**") for a Successor Currency, then for the purposes of calculating any amounts of the Original Currency or effecting settlement thereof, any Original Currency amounts will be converted to the

Successor Currency by multiplying the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by the relevant country of the Original Currency for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place, as determined by the Calculation Agent. If there is more than one such date, the date closest to such relevant date will be selected (or such other date as may be selected by the Calculation Agent in its sole and absolute discretion);

(c) notwithstanding paragraph (b) above but subject to paragraph (d) below, the Calculation Agent may (to the extent permitted by the applicable law), in good faith and in its sole and absolute discretion, select such other exchange rate or other basis for the conversion of an amount of the Original Currency to the Successor Currency and, will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Instruments to account for such elimination, conversion, redenomination or exchange of the Subject Currency or Base Currency, as the case may be; and

(d) notwithstanding the foregoing provisions, with respect to any Subject Currency or Base Currency that is substituted or replaced by the Euro, the consequences of such substitution or replacement will be determined in accordance with applicable law.

10. **Rebasing of Instruments**

If the applicable Final Terms specify that "Rebasing" is applicable, then if, on or prior to any Valuation Date or Averaging Date or any other relevant date, the Calculation Agent is unable to obtain a value for a Subject Currency (because the Subject Currency and/or Base Currency ceases to exist, or for any other reason other than a temporary disruption, as determined by the Calculation Agent), the Calculation Agent may rebase the Instruments against another foreign exchange rate determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable foreign exchange rate. If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable foreign exchange rate, the Issuer may take the action described in FX Linked Condition 11(a)(ii)(A) or 11(a)(ii)(B) below, provided that the words "the Additional Disruption Event" in FX Linked Condition 11(a)(ii)(A) and FX Linked Condition 11(a)(ii)(B) shall be deemed to be replaced with the words "the inability of the Calculation Agent to obtain a value for the Subject Currency".

11. **Consequences of an Additional Disruption Event**

If the applicable Final Terms specify that Additional Disruption Events shall be applicable, then:

(a) following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) (A) in the case of Notes, give notice to Holders in accordance with Note Condition 14 and redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or

(B) in the case of W&C Instruments, give notice to the Holders in accordance with W&C Instruments Condition 12 and cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Additional

Disruption Event less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12;

(b) upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event; and

(c) the following terms and expressions shall have the following meanings:

"**Additional Disruption Event**" means any of a Change in Law, a Hedging Disruption and/or an Increased Cost of Hedging.

"**Change in Law**" means that, on or after the Trade Date (or such other date as specified in the applicable Final Terms) of the Instruments (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (A) it has become illegal to hold, acquire or dispose of any relevant currency or asset, or (B) the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations under the Instruments will incur a materially increased cost in performing its obligations in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Hedging Disruption**" means that the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations in relation to the Instruments is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the currency or other price risk of the Issuer issuing and performing its obligations with respect to or in connection with the relevant Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the currency or other price risk of the Issuer issuing and performing its obligations with respect to the relevant Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

ANNEX 6

ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED INSTRUMENTS

1. Interpretation

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Commodity Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for Commodity Linked Instruments set out below (the "**Commodity Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. The terms and conditions applicable to Commodity Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the additional terms and conditions set out below in the Commodity Linked Conditions, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Notes, or the W&C Instruments Conditions, in the case of W&C Instruments, and the Commodity Linked Conditions, the Commodity Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions or the W&C Instruments Conditions and/or the Commodity Linked Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Commodity Linked Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

2. Definitions

"**Administrator/Benchmark Event**" means, in respect of a Commodity Reference Price or a Commodity Index (as applicable), any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Commodity Reference Price or Commodity Index (as applicable) or the administrator or sponsor of the Commodity Reference Price or Commodity Index (as applicable) has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any affiliate engaged in hedging transactions relating to the Instruments is not, or will not be, permitted under any applicable law or regulation to use the Commodity Reference Price or Commodity Index (as applicable) to perform its or their respective obligations under the Instruments or any related hedging transactions.

"**Administrator/Benchmark Event Date**" means, in respect of a Commodity Reference Price or a Commodity Index (as applicable) and an Administrator/Benchmark Event, the date on which the authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is:

(a) required under any applicable law or regulation; or

(b) rejected, refused, suspended or withdrawn, if the applicable law or regulation provides that the Commodity Reference Price or Commodity Index (as applicable) is not permitted to be used under the Instruments or related hedging transactions following rejection, refusal, suspension or withdrawal,

or, in each case, if such date occurs before the Strike Date, the Strike Date.

"**Basket of Commodities**" means a basket comprising Commodities in their relative proportions or numbers of Commodities, as specified in the applicable Final Terms.

"**Basket of Commodity Indices**" means a basket comprising Commodity Indices in their relative proportions or number of Commodity Indices.

"**Calculation Agent Determination**" means that the Calculation Agent will determine the Relevant Price (or method for determining the Relevant Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.

"**Commodity**" and "**Commodities**" means, subject to adjustment in accordance with these Commodity Linked Conditions, the commodity or commodities specified as such in the applicable Final Terms and related expressions shall be construed accordingly.

"**Commodity Business Day**" means:

(a) with respect to a single Commodity or a Basket of Commodities and:

(i) where the Commodity Reference Price for a Commodity is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which such Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and

(ii) where the Commodity Reference Price for a Commodity is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price;

(b) with respect to a single Commodity Index or a Basket of Commodity Indices, as specified in the applicable Final Terms.

"**Commodity Cut-Off Date**" means, in respect of a Pricing Date (or, if different, the day on which the price for that Pricing Date would, in the ordinary course, be published by the Price Source) the date specified in the applicable Final Terms, or if not so specified, the day falling two Business Days immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Pricing Date, provided that the Commodity Cut-Off Date shall not fall prior to the original date on which such Pricing Date was scheduled to fall (unless otherwise provided in the applicable Final Terms).

"**Commodity Index**" and "**Commodity Indices**" means, subject to adjustment in accordance with the Commodity Linked Conditions, the index or indices linked directly or indirectly to various commodities, commodity prices or commodity futures contracts and specified as such in the applicable Final Terms.

"**Commodity Index Cut-Off Date**" means, in respect of a Pricing Date (or, if different, the day on which the price for such Pricing Date would, in the ordinary course, be published by the Price Source) the date specified in the applicable Final Terms, or if not so specified, the day falling two Business Days immediately preceding the date on which payment of any amount may have to be made pursuant to any calculation or determination made on such Pricing Date, provided that the Commodity Index Cut-Off Date shall not fall prior to the original date on which such Pricing Date was scheduled to fall (unless otherwise provided in the applicable Final Terms).

"**Commodity Reference Price**" means (a) in respect of all Commodities, the Commodity Reference Price specified in the applicable Final Terms and (b) in respect of a Commodity Index, the Commodity Reference Price specified in the applicable Final Terms, or if not so specified, the official closing price of such Commodity Index.

"**Commodity Trading Disruption**" means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange. For these purposes:

(a) a suspension of the trading in the Futures Contract or the Commodity on any Commodity Business Day shall be deemed to be material only if:

(i) all trading in the Futures Contract or the Commodity is suspended for the entire Pricing Date; or

(ii) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and

(b) a limitation of trading in the Futures Contract or the Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity on such day is at the upper or lower limit of that range.

"**Delayed Publication or Announcement**" means that the Relevant Price for a Pricing Date will be determined based on the Specified Price (or, if there is no Specified Price for a Commodity Reference Price, such Commodity Reference Price) in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date (or, if applicable, if the Pricing Date as specified in the Final Terms is adjusted on account of such original date not being a Commodity Business Day, measured from and including the day that is the original date that would otherwise have been the Pricing Date, following any adjustment on account of such original date not being a Commodity Business Day)) or the Relevant Price continues to be unavailable for two consecutive Commodity Business Days. In that case, the next Disruption Fallback (as defined below) specified in the applicable Final Terms will apply.

"**Delivery Date**" means the date specified in the applicable Final Terms.

"**Disappearance of Commodity Reference Price**" means:

(a) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange;

(b) the disappearance of, or of trading in, the Commodity; or

(c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price,

notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the Commodity.

"**Exchange**" means, in relation to a Commodity, the exchange or principal trading market specified as such for such Commodity in the applicable Final Terms or Commodity Reference Price.

"**Fallback Reference Price**" means that the Calculation Agent will determine the Relevant Price based on the price for that Pricing Date of the first alternate Commodity Reference Price, if any, specified in the applicable Final Terms and not subject to a Market Disruption Event.

"**Futures Contract**" means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity or Commodity Index referred to in that Commodity Reference Price.

"**Material Change in Content**" means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or relevant Futures Contract.

"**Material Change in Formula**" means the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

"**Nearby Month**" when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by the numerical adjective, so that, for example, (a) "**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that Pricing Date and (b) "**Second Nearby Month**" means the month of expiration of the second Futures Contract to expire following that Pricing Date, etc.

"**Postponement**" means that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist for two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date (or, if applicable, if the Pricing Date as specified in the Final Terms is adjusted on account of such original date not being a Commodity Business Day, measured from and including the day that is the original date that would otherwise have been the Pricing Date, following any adjustment on account of such original date not being a Commodity Business Day)). In that case, the next Disruption Fallback specified in the definition of "Disruption Fallback" below will apply.

"**Price Source**" means the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) for the Commodity Reference Price (or, if there is no Specified Price for a Commodity Reference Price, such Commodity Reference Price) or otherwise in the applicable Final Terms (provided that in respect of a Commodity Index, if the relevant Commodity Reference Price is not published on such Price Source, the Calculation Agent may, in its sole and absolute discretion, (a) use a successor page or publication or alternative source as it considers appropriate, (b) determine that such non-publication amounts to a Market Disruption Event in respect of such Commodity Index in accordance with Commodity Linked Condition 4, or (c) determine that such non-publication amounts to a Commodity Index Adjustment Event in respect of the Commodity Index, and proceed in accordance with Commodity Linked Condition 5).

"**Price Source Disruption**" means:

(a) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price (or, if there is no Specified Price for a Commodity Reference Price, such Commodity Reference Price); or

(b) the temporary or permanent discontinuance or unavailability of the Price Source.

"**Pricing Date**" means, with respect to a Commodity or a Commodity Index, each date specified as such or otherwise as provided in the applicable Final Terms (each such original date, a "**Scheduled Pricing Date**"), provided that if any Scheduled Pricing Date is not a Commodity Business Day for such Commodity or Commodity Index (as the case may be), then the Pricing Date for such Commodity or Commodity Index (as the case may be) will be the earlier of (a) the next following Commodity Business Day for such Commodity or Commodity Index (as the case may be), and (b) the Commodity Cut-Off Date or Commodity Index Cut-Off Date (as the case may be), and subject to adjustment as provided in Commodity Linked Condition 4 (*Market Disruption and Disruption Fallback*).

"**Relevant Price**" means for any Pricing Date, the price, expressed as a price per unit of the Commodity or the price of the Commodity Index, determined with respect to that day for the specified Commodity Reference Price calculated as provided in these Commodity Linked Conditions and the applicable Final Terms.

"**Specified Price**" means, in respect of a Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source) as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (a) the high price; (b) the low price; (c) the average of the high price and the low price; (d) the closing price; (e) the opening price; (f) the bid price; (g) the asked price; (h) the average of the bid price and the asked price; (i) the settlement price;

(j) the official settlement price; (k) the official price; (l) the morning fixing; (m) the afternoon fixing; (n) the spot price; or (o) any other price specified in the applicable Final Terms.

"**Strike Date**" means the date specified as such in the applicable Final Terms.

3. **Terms relating to Calculation of Prices**

(a) Common Pricing

If "Common Pricing" is specified in the applicable Final Terms to be:

(i) "Applicable", then, if any Scheduled Pricing Date is not a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined on the Trade Date of the Instruments, then the Pricing Date shall be the next following day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined on the Trade Date of the Instruments; or

(ii) "Not Applicable", then this Commodity Linked Condition 3(a) shall not apply.

If the Calculation Agent determines that a Market Disruption Event has occurred or exists on any Pricing Date in respect of any relevant Commodity (an "**Affected Commodity**") and/or Commodity Index (an "**Affected Commodity Index**"), the Relevant Price of each Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Market Disruption Event shall be determined on the Scheduled Pricing Date and the Relevant Price for each Affected Commodity or Affected Commodity Index shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Price.

All determinations made by the Calculation Agent pursuant to this Condition will be conclusive and binding on the Holders, the Issuer and the Guarantor, except in the case of manifest error.

(b) Correction to Published Prices

For purposes of determining or calculating the Relevant Price (or any price or value published or announced on any date which is utilised for any calculation or determination in connection with the Commodity Linked Instruments), if the price published or announced on a given day and used or to be used by the Calculation Agent to determine a Relevant Price (or any price or value published or announced on any date which is utilised for any calculation or determination in connection with the Commodity Linked Instruments) is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days after the original publication or announcement (or, if earlier the day falling two Business Days preceding the date on which payment of any amount or delivery of any assets may have to be made, in each case calculated by reference to such Relevant Price (or any price or value published or announced on any date which is utilised for any calculation or determination in connection with the Commodity Linked Instruments)), the Calculation Agent may, in its sole discretion, use such corrected price in such calculation.

4. **Market Disruption and Disruption Fallback**

If, in the opinion of the Calculation Agent, a Market Disruption Event (as defined below) has occurred and is continuing on any Pricing Date (or, if different, the day on which the price for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Price for that Pricing Date will be determined by the Calculation Agent, in accordance with the first applicable Disruption Fallback (as set out below) that provides a Relevant Price:

(a) Market Disruption Event

"**Market Disruption Event**" means the occurrence of any of the following events:

(i) with respect to all Commodities:

(A) Price Source Disruption;

(B) Commodity Trading Disruption;

(C) Disappearance of Commodity Reference Price;

(D) an Administrator/Benchmark Event Date in respect of the Commodity Reference Price; and

(ii) with respect to all Commodities other than gold, silver, platinum or palladium:

(A) Material Change in Formula;

(B) Material Change in Content; and

(C) any additional Market Disruption Events as specified in the applicable Final Terms; and

(iii) with respect to a Commodity Index:

(A) a temporary or permanent failure by the applicable exchange or other price source to announce or publish (I) the Commodity Reference Price (provided that the Calculation Agent may, in its sole and absolute discretion, determine that such failure (aa) shall not be a Market Disruption Event and shall instead be dealt with under paragraph (a) of the proviso to the definition of Price Source specified in Commodity Linked Condition 2, or (bb) shall instead amount to a Commodity Index Adjustment Event in respect of such Commodity Index, and proceed in accordance with Commodity Linked Condition 5 (*Adjustments to a Commodity Index*)) or (II) the closing price for any futures contract included in the Commodity Index;

(B) a material limitation, suspension or disruption of trading in one or more of the futures contracts included in the Commodity Index which results in a failure by the exchange on which each applicable futures contract is traded to report a closing price for such contract on the day on which such event occurs or any succeeding day on which it continues; or

(C) the closing price for any futures contract included in the Commodity Index is a "limit price", which means that the closing price for such contract for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable exchange rules.

(iv) Disruption Fallback

"**Disruption Fallback**" means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date in respect of the relevant Instrument. A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified in the applicable Final Terms, shall mean:

(A) with respect to a relevant Commodity (in the following order):

(i) Fallback Reference Price (if applicable);

(ii) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the

Pricing Date (or, if applicable, measured from and including the day that is the original date that would otherwise have been the Pricing Date, following any adjustment on account of such original date not being a Commodity Business Day)), or, if shorter, the period commencing on, and including, the original day that would otherwise have been the Pricing Date and ending on, and including, the Commodity Cut-Off Date) provided, however, that the price determined by Postponement shall be the Relevant Price only if Delayed Publication or Announcement does not yield a Relevant Price within those two consecutive Commodity Business Days (or, if applicable, the number of Commodity Business Days (if any) falling within the period ending on the Commodity Cut-Off Date); and

(iii) Calculation Agent Determination;

(B) with respect to a Commodity Index, the Calculation Agent shall determine the Relevant Price using (unless otherwise specified in the applicable Final Terms):

(i) with respect to each futures contract included in the Commodity Index which is not affected by the Market Disruption Event, the closing prices of each such contract on the applicable determination date;

(ii) with respect to each futures contract included in the Commodity Index which is affected by the Market Disruption Event, but for which a Market Disruption Event ceased to exist on or prior to the Commodity Index Cut-Off Date, the closing prices of each such contract on the first day following the applicable determination date on which no Market Disruption Event is occurring with respect to such contract; and

(iii) with respect to each futures contract included in the Commodity Index which is affected by the Market Disruption Event, where a Market Disruption Event continues to exist as of the Commodity Index Cut-Off Date, the Calculation Agent's good faith estimate of the closing price of each such contract on the Commodity Index Cut-Off Date;

Subject as provided below, the Calculation Agent shall determine the Relevant Price by reference to the closing prices determined in (i), (ii) and (iii) above or as specified in the applicable Final Terms above using the then-current method for calculating the Commodity Reference Price.

Where (A) the original date that would otherwise have been the Pricing Date is adjusted on account of such original date not being a Commodity Business Day, and the Pricing Date would fall on or after the Commodity Index Cut-Off Date following such adjustment, or (B) a Market Disruption Event with respect to one or more futures contracts included in the Commodity Index has occurred on an applicable determination date and continues to exist as of the relevant Commodity Index Cut-Off Date for such applicable determination date, the Calculation Agent shall determine the Relevant Price on such Commodity Index Cut-Off Date. In calculating the Relevant Price as set out herein, the Calculation Agent shall use the formula for calculating the Commodity Reference Price last in effect prior to the Market Disruption Event (if applicable).

5. **Adjustments to a Commodity Index**

(a) Consequences of a Successor Index Sponsor or a Successor Index

If a relevant Commodity Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Issuer, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then in each case that index (the "**Successor Index**") will be deemed to be the Commodity Index.

(b) Modification and Cessation of Calculation of a Commodity Index

If on or prior to a Pricing Date (i) the relevant Index Sponsor makes a material change in the formula for or the method of calculating a relevant Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain that Commodity Index in the event of changes in constituent commodities and weightings and other routine events), or (ii) the Index Sponsor permanently cancels a relevant Commodity Index or (iii) the Index Sponsor fails to calculate and announce a relevant Commodity Index and there is no Successor Index Sponsor or Successor Index or (iv) an Administrator/Benchmark Event Date occurs, then the Issuer may at its option (in the case of (i) and (iv)) and shall (in the case of (ii) and (iii)) (such events (i), (ii), (iii) and (iv) to be collectively referred to as "**Commodity Index Adjustment Events**") (provided that the Calculation Agent may, in its sole and absolute discretion, determine that event (iii) (y) shall not be a Commodity Index Adjustment Event and shall instead be dealt with under paragraph (a) of the proviso to the definition of Price Source specified in Commodity Linked Condition 2, or (z) shall instead amount to a Market Disruption Event in respect of such Commodity Index, and proceed in accordance with Commodity Linked Condition 4 take the action described in (A), (B) or (C) below:

(A) calculate the Commodity Reference Price using in lieu of the published level for that Commodity Index, the level for that Commodity Index as at the relevant determination date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Commodity Index Adjustment Event, but using only those futures contracts that comprised that Commodity Index immediately prior to the relevant Commodity Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange);

(B) if the Calculation Agent determines that it is not reasonably practicable (taking into account the costs involved) to calculate or continue to calculate such Commodity Index pursuant to (A) above, the Calculation Agent may rebase the Instruments against another index or basket of indices, as applicable, determined by the Calculation Agent, in its sole and absolute discretion, to be comparable to such Commodity Index, and, following such rebasing, the Calculation Agent may make such adjustment(s) that it determines to be appropriate, if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent determines appropriate to account for such rebasing;

(C) (1) in the case of Notes, on giving notice to the Noteholders in accordance with Note Condition 14, redeem all (but not less than all) of the Notes, each Note being redeemed at the Early Redemption Amount; or

(2) in the case of W&C Instruments, on giving notice to Holders in accordance with W&C Instruments Condition 12, cancel the W&C Instruments. If the W&C Instruments are so cancelled, the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him, which amount shall be the fair market value of a Commodity W&C Instrument or a Unit, as the case may be, taking into account the Commodity Index Adjustment Event, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

Upon the occurrence of a Commodity Index Adjustment Event, the Issuer shall give notice as soon as reasonably practicable to the Holders in accordance with Note Condition 14 or Holders in accordance with W&C Instruments Condition 12, as applicable, giving details of the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of such action. The Issuer shall make available for inspection by Holders copies of any such determinations.

6. **Consequences of an Additional Disruption Event in respect of a Commodity Index**

(a) Following the determination by the Calculation Agent that an Additional Disruption Event has occurred in respect of a Commodity Index, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) (A) in the case of Notes, give notice to Holders in accordance with Note Condition 14 and redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or

(B) in the case of W&C Instruments, give notice to the Holders in accordance with W&C Instruments Condition 12 and cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Additional Disruption Event less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(b) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

(c) The following terms and expressions shall have the following meanings:

"**Additional Disruption Event**" means any of a Change in Law, a Hedging Disruption, and/or an Increased Cost of Hedging (together the "**Additional Disruption Events**").

"**Change in Law**" means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (A) it has become illegal to hold, acquire or dispose of any relevant currency or asset, or (B) the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations under the Instruments will incur a materially increased cost in performing its obligations in relation to the Instruments (including,

without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Hedging Disruption**" means that the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations in relation to the Instruments is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the commodity or other price risk of the Issuer issuing and performing its obligations with respect to or in connection with the relevant Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates or agents acting on its behalf would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the commodity or other price risk of the Issuer issuing and performing its obligations with respect to the Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

ANNEX 7

ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED INSTRUMENTS

The terms and conditions applicable to Fund Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for Fund Linked Instruments set out below (the "**Fund Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. The terms and conditions applicable to Fund Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Fund Linked Conditions, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Notes, or the W&C Instruments Conditions, in the case of W&C Instruments, and the Fund Linked Conditions, the Fund Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions or the W&C Instruments Conditions and/or the Fund Linked Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Fund Linked Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

1. **General Definitions**

"**Averaging Date**" means, in respect of an Actual Exercise Date, each date specified as an Averaging Date in the applicable Final Terms.

"**Valuation Date**" means each Valuation Date specified in the applicable Final Terms.

2. **Provisions relating to Funds other than Exchange Traded Funds**

Fund Linked Conditions 3, 4 and 5 apply in respect of Funds other than Exchange Traded Funds.

3. **Definitions (Funds other than Exchange Traded Funds)**

"**Basket of Funds**" means a basket composed of Funds in the relative proportions or number of Funds, as specified in the applicable Final Terms.

"**Fund**" means, subject to adjustment in accordance with these Fund Linked Instruments Conditions, each fund specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Fund Administrator**" means the fund administrator, manager, trustee or similar person with the primary administrative responsibilities for a Fund according to the relevant Fund Documents.

"**Fund Adviser**" means any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser).

"**Fund Documents**" means the constitutive and governing documents, subscription agreements and other agreements of a Fund specifying the terms and conditions relating to the related Fund Interest, as amended from time to time.

"**Fund Interest**" means, subject to adjustment in accordance with these Fund Linked Conditions, each fund interest specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Fund Redemption Valuation Date**" means, in respect of a Fund Interest, the date as of which a Fund (or its Fund Service Provider that generally determines such value) would determine the net asset value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date.

"**Fund Service Provider**" means any person who is appointed to provide services, directly or indirectly, to a Fund, whether or not specified in the relevant Fund Documents, including

without limitation any Fund Administrator, Fund Adviser, operator, management company, depositary, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent.

"**Fund Valuation Date**" means a date as of which a Fund (or its Fund Service Provider that generally determines such value) determines the value of the related Fund Interest.

"**Hypothetical Investor**" means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in Fund Interests which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding Fund Interests at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation).

"**Removal Date**" means, in respect of an Affected Fund Interest, the date on which the Calculation Agent determines that a Hypothetical Investor would receive the Removal Value in respect of a redemption or realisation of such Affected Fund Interest effected as soon as reasonably practicable following the occurrence of the relevant Fund Event.

"**Removal Value**" means, in respect of an Affected Fund Interest, the amount that the Calculation Agent determines a Hypothetical Investor would receive in cash on the redemption or realisation of such Affected Fund Interest at the relevant time, provided that if any such redemption proceeds would comprise non-monetary assets the Removal Value may, at the sole and absolute discretion of the Calculation Agent, include only such amount (if any) that the Calculation Agent determines would be received by the Hypothetical Investor in respect of a realisation (in whatsoever manner the Calculation Agent determines appropriate) of such non-monetary assets as soon as reasonably practicable after their receipt.

"**Scheduled Fund Redemption Valuation Date**" means the date as of which a Fund (or its Fund Service Provider that generally determine such value) is scheduled, according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the net asset value of the related Fund Interest for purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date.

"**Scheduled Fund Valuation Date**" means, in respect of a Fund Interest, a date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the value of the related Fund Interest or, if the Fund only reports its aggregate net asset value, the date as of which such Fund is scheduled to determine its aggregate net asset value.

4. **Fund Events**

"**Fund Event**" means the occurrence of each of an Additional Fund Disruption Event, a Fund Disruption Event and/or a Fund Extraordinary Event as determined by the Calculation Agent.

(a) "**Additional Fund Disruption Event**" means each of Change in Law, Fund Hedging Disruption or Increased Cost of Hedging.

"**Change in Law**" means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer or any of its affiliates or agents acting on its behalf determines in good faith that (A) it has become illegal to hold, acquire or dispose of any Fund Interests, or (B) the Issuer will incur a materially increased cost in performing its obligations under the Fund Linked Instruments

(including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Fund Hedging Disruption**" means that the Issuer or any of its Affiliates or agents is unable, or it is impractical for the Issuer or any of its Affiliates or agents, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to any Fund Interest of the Issuer issuing and performing its obligations with respect to the Fund Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (A) any restrictions or increase in charges or fees imposed by a Fund on an investor's ability to redeem the related Fund Interest, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Interest, or (B) any mandatory redemption, in whole or in part, of a Fund Interest imposed by the related Fund (in each case other than any restriction in existence on the Trade Date or, in respect of a Replacement Fund Interest, the relevant replacement date).

"**Increased Cost of Hedging**" means that the Issuer or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to any Fund Interest of the Issuer issuing and performing its obligations with respect to the Fund Linked Instruments, or (ii) realise, recover or remit the proceeds of any transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

(b) "**Fund Disruption Event**" means at any time the occurrence or continuance of any of the following events, as determined by the Calculation Agent in its sole and absolute discretion, if the Calculation Agent determines any such event is material:

(i) Fund Valuation Disruption: "**Fund Valuation Disruption**" means (A) any continued postponement of any Scheduled Valuation Date due to such Scheduled Valuation Date not being a Scheduled Fund Redemption Valuation Date, (B) the failure of a Scheduled Fund Redemption Valuation Date in respect of a Fund Interest to be a Fund Redemption Valuation Date in respect of such Fund Interest or any continued postponement of such Fund Redemption Valuation Date, or (C) the failure of a Scheduled Fund Valuation Date in respect of a Fund Interest to be a Fund Valuation Date in respect of such Fund Interest or any continued postponement of such Fund Valuation Date;

(ii) Fund Settlement Disruption: "**Fund Settlement Disruption**" means a failure by a Fund on any day to pay the full amount (whether expressed as a percentage or otherwise) of any fund redemption proceeds with respect to any Fund Interest scheduled to have been paid on or by such day according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests).

(c) "**Fund Extraordinary Event**" means each of the following events:

(i) Nationalisation: "**Nationalisation**" means that all the Fund Interests or all or substantially all the assets of a Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

(ii) Insolvency: "**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (A) all the Fund Interests of that Fund are required to be transferred to a trustee, liquidator or other similar official or (B)

holders of the Fund Interests of that Fund become legally prohibited from transferring or redeeming them;

(iii) Fund Insolvency Event: "**Fund Insolvency Event**" means a Fund or relevant Fund Service Provider (A) is dissolved or has a resolution passed for its dissolution, winding-up or official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C) (I) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (II) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (I) above and either (aa) 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 (bb) is not dismissed, discharged, stayed or restrained in each case within fifteen calendar days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen calendar days thereafter; or (F) causes or is subject to any event with respect to it, which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (E) and (F) above;

(iv) NAV Trigger Event: "**NAV Trigger Event**" means that (A) the aggregate net asset value of a Fund has decreased by an amount equal to or greater than 30 per cent. since the Trade Date or, in respect of a Replacement Fund Interest, the relevant replacement date; or (B) a Fund has violated any leverage restriction that is applicable to, or affecting, it or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the relevant Fund Documents or any contractual restriction binding on or affecting the Fund or any of its assets;

(v) Adviser Resignation Event: "**Adviser Resignation Event**" means the resignation, termination of appointment, or replacement of a Fund's Fund Adviser;

(vi) Fund Modification: "**Fund Modification**" means any change or modification of the relevant Fund Documents that could reasonably be expected to affect the value of a Fund Interest or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent) from those prevailing on the Trade Date or, in respect of a Replacement Fund Interest, the relevant replacement date; or the imposition of any fees or charges in relation to redemptions, subscriptions or transfers of Fund Interests;

(vii) Strategy Breach: "**Strategy Breach**" means any breach or violation of any strategy or investment guidelines stated in the relevant Fund Documents that is reasonably likely to affect the value of a Fund Interest or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent); or any change of the nature of a Fund, including but not limited to the type of investments, the duration, the credit risk and diversification of the investments to

which that Fund is exposed, which, in the opinion of the Calculation Agent, results in a material deterioration of the risk profile of that Fund;

(viii) Regulatory Action: "**Regulatory Action**" means (A) the cancellation, suspension or revocation of the registration or approval of a Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund, (B) any change in the legal, tax, accounting, or regulatory treatments of a Fund or its Fund Adviser that is reasonably likely to have an adverse impact on the value of the related Fund Interest or on any investor therein (as determined by the Calculation Agent), or (C) a Fund or any of its Fund Administrator or Fund Adviser becoming subject to investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of such Fund, Fund Administrator or Fund Adviser;

(ix) Reporting Disruption: "**Reporting Disruption**" means (A) the occurrence of any event affecting a Fund Interest that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of such Fund Interest in respect of a Scheduled Fund Valuation Date or a Scheduled Fund Redemption Valuation Date, and such event continues for at least two consecutive Scheduled Fund Valuation Dates or Scheduled Fund Redemption Valuation Dates, as the case may be; (B) any failure of a Fund to deliver, or cause to be delivered, (I) information that such Fund has agreed to deliver, or cause to be delivered to the Calculation Agent, including, but not limited to, information to determine the occurrence of a Fund Event and the annual audited financial report and semi-annual financial report, if any, in relation to the related Fund Interests, or (II) information that has been previously delivered to the Calculation Agent, in accordance with such Fund's, or its authorised representative's, normal practice and that the Calculation Agent deems necessary to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the related Fund Interests;

(x) Fund Service Provider Cessation: "**Fund Service Provider Cessation**" means that one or more Fund Service Provider(s) in respect of a Fund ceases to provide the service as outlined in the relevant Fund Documents prevailing on the Trade Date or, where the related Fund Interest is a Replacement Fund Interest, the relevant replacement date, and any such Fund Service Provider is not immediately replaced by another service provider acceptable to the Calculation Agent;

(xi) Fund Administrator Disruption: "**Fund Administrator Disruption**" means any event or circumstances compromising the independence of a Fund Administrator performing services for a Fund from the relevant Fund Adviser; or

(xii) Related Agreement Termination: "**Related Agreement Termination**" means a Fund or any of its Fund Administrator or Fund Adviser is in breach of or has terminated any existing agreement with the Calculation Agent in respect of, but not limited to, retrocession, dealing fees, liquidity and licensing.

Following the occurrence of a Fund Event, the Issuer may take the action described in (i) or (ii) below such that the Calculation Agent, in its sole and absolute discretion, determines to be practicable, which may be determined by the Calculation Agent after all necessary information has been obtained and/or released by the Fund:

(i) require the Calculation Agent to make such determinations and/or adjustments to the Terms and Conditions and/or the applicable Final Terms as it determines appropriate to account for the Fund Event, which may include, without limitation,

(A) delaying any determination date (including any Valuation Date or Averaging Date) and/or any date on which payment might otherwise have

to be made under the terms of the applicable Final Terms until it determines that no Fund Event exists;

(B) determining that, in the sole and absolute discretion of the Calculation Agent, one or more Fund Events may continue until or after any scheduled determination dates and/or payment dates as set out in the applicable Final Terms, and thereafter determining to fix any determination date (including any Valuation or Averaging Date) and/or date on which payment should be made, and making payment on such date of such amount as is appropriate, as determined in the sole and absolute discretion of the Calculation Agent, taking into account the Fund Event, and which may be based solely on any amounts of cash that a Hypothetical Investor in the Fund actually received from the Fund during the relevant period or periods (and which may be less than any relevant net asset value published for the Fund, and may be as low as zero);

(C) calculating the value of a Fund Interest and/or replacing a Fund Interest (the "**Affected Fund Interest**") with a replacement fund interest (the "**Replacement Fund Interest**") with a value as determined by the Calculation Agent equal to the Removal Value for the Affected Fund Interest and in a fund which in the determination of the Calculation Agent has similar characteristics, investment objectives and policies to those applicable to the Fund in respect of the Affected Fund Interest immediately prior to the occurrence of the Fund Event; or

(ii) (A) in the case of Notes, on giving notice to the Holders in accordance with Note Condition 14, redeem all (but not less than all) of the Notes, each Note being redeemed at the Early Redemption Amount; or

(B) in the case of W&C Instruments, on giving notice to the Holders in accordance with W&C Instruments Condition 12, cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or Unit, as the case may be, taking into account the Fund Event, less the cost to the Issuer and/or any of its affiliates or agents of unwinding any underlying related hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion.

If the Calculation Agent replaces an Affected Fund Interest with a Replacement Fund Interest, such replacement shall take effect on the first reasonably practicable date following the Removal Date for such Affected Fund Interest on which the Calculation Agent determines that a Hypothetical Investor could acquire the Replacement Fund Interest.

Upon the occurrence of a Fund Event, the Issuer shall give notice as soon as reasonably practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, giving details of the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of such action.

5. **Fund Potential Adjustment Events**

"**Fund Potential Adjustment Event**" means any of the following:

(a) a subdivision, consolidation or reclassification of relevant Fund Interests or a free distribution or dividend of any such Fund Interests to existing holders by way of bonus, capitalisation or similar issue;

(b) a distribution, issue or dividend to existing holders of relevant Fund Interests of (I) such Fund Interests or (II) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the related Fund equally or proportionately with such payments to holders of such Fund Interests or (III) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the related Fund as a result of a spin-off or other similar transaction or (IV) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(c) an extraordinary dividend as determined by the Calculation Agent;

(d) a repurchase by a Fund of relevant Fund Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise other than where such repurchase is a redemption of Fund Interests initiated by an investor in such Fund Interests and consistent with the relevant Fund Documents; or

(e) any other event that may have, in the opinion of the Calculation Agent, a diluting, concentrative or other on the theoretical value of relevant Fund Interests.

Following the declaration by a Fund of the terms of any Fund Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Fund Potential Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the relevant Fund Interest and, if so, will make the corresponding adjustment, if any, to any one or more of any of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion, determines appropriate to account for that diluting, concentrative or other effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends or liquidity relative to the relevant Fund Interest) and determine the effective date of that adjustment.

Upon the making of any such adjustment by the Calculation Agent, the Issuer shall give notice as soon as reasonably practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, stating the adjustment to any of the terms of the Terms and Conditions, and/or the applicable Final Terms and giving brief details of the Fund Potential Adjustment Event, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

6. Provisions relating to Exchange Traded Funds

Fund Linked Conditions 7, 8, 9 and 10 apply to Exchange Traded Funds.

7. Definitions (Exchange Traded Funds)

"**Averaging Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, or on account of such date not being a Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall be applicable, a Common Scheduled Trading Day), would have been the final Averaging Date, or, if earlier, the Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on the relevant Averaging Dates, provided that the Averaging Cut-Off Date shall not fall prior to the original date on which the final Averaging Date was scheduled to fall.

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled

Trading Day, (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day), or, if earlier, the Averaging Cut-Off Date. If any such day is a Disrupted Day:

(a) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant price; provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant price on the final Averaging Date, as if such final Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then:

(i) where the Fund Linked Instruments relate to a single Fund, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for the Fund, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below;

(ii) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall not be applicable, the Averaging Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Scheduled Trading Day, if applicable) (the "**Scheduled Averaging Date**") and the Averaging Date for a Fund Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Fund Share. If the first succeeding Valid Date in relation to such Fund Share has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Fund Share, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Fund Share, and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of "Valuation Date" below;

(iii) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Averaging Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (following adjustment of such date owing to the original date not being a Common Scheduled Trading Day, if applicable) (the "**Scheduled Averaging Date**") and the Averaging Date for a Fund Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Fund Share. If the first succeeding Valid Date in relation to such Fund Share has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the

original date on which it was scheduled to fall not being a Common Scheduled Trading Day, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date) in relation to such Fund Share, and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (c)(ii) of the definition of "Valuation Date" below; or

(iv) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Averaging Date for each Fund Share shall be the first succeeding Common Valid Date in relation to such Fund Share. If the first succeeding Common Valid Date has not occurred as of the Valuation Time on the Averaging Cut-Off Date or if such Averaging Date falls on the Averaging Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, then (A) the Averaging Cut-Off Date shall be deemed to be the Averaging Date (irrespective of whether the Averaging Cut-Off Date is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (d)(ii) of the definition of "Valuation Date" below,

and, for the purposes of these Fund Linked Conditions "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur, and "**Common Valid Date**" means a Common Scheduled Trading Day that is not a Disrupted Day for any Fund Share and on which another Averaging Date does not or is deemed not to occur.

"**Barrier Event Determination Day**" means, in respect of each Fund Share:

(a) if the applicable Final Terms provide that the Barrier Event (intraday) provisions shall apply, unless otherwise specified in the applicable Final Terms, each day on which the price of such Fund Share is quoted on the relevant Exchange during the relevant Observation Period, regardless of whether or not such day is a Scheduled Trading Day for such Fund Share (and, for the avoidance of doubt, if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred); or

(b) if the applicable Final Terms provide that the Barrier Event (closing) provisions shall apply each day specified as such in the applicable Final Terms.

"**Barrier Event Valuation Time (closing)**" means, in respect of each Fund Share to be valued, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Barrier Event Valuation Time (closing) is after the actual closing time for its regular trading session, then the Barrier Event Valuation Time (closing) shall be such actual closing time.

"**Barrier Event Valuation Time (intraday)**" means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the Exchange.

"**Barrier Level**" means, in respect of a Fund Share, such price for such Fund Share as is specified in the applicable Final Terms.

"**Basket of Funds**" means a basket composed of Fund Shares in their relative proportions or number of Fund Shares, as specified in the applicable Final Terms.

"**Common Scheduled Trading Day**" means, in respect of a Basket of Funds, each day which is a Scheduled Trading Day for all the Fund Shares in the Basket of Funds.

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**ETF**" means any fund which is an exchange traded fund as specified in the applicable Final Terms, or if not so specified, any fund which the Calculation Agent determines to be an Exchange Traded Fund.

"**Exchange**" means, in relation to a Fund Share, the exchange or principal trading market for such ETF specified in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Fund Shares in respect of such ETF has temporarily relocated.

"**Exchange Business Day**" means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Final Price**" means, in respect of a Fund Share, unless otherwise specified in the applicable Final Terms, the Fund Share Closing Price of such Fund Share on the Valuation Date, subject to adjustment in accordance with these Fund Linked Conditions.

"**Fund Performance**" means unless otherwise specified in the applicable Final Terms, in respect of a Fund Share and any relevant date, an amount (expressed as a percentage) determined by the Calculation Agent equal to (a) the Fund Share Closing Price of such Fund Share on such day, divided by (b) the Initial Price of such Fund Share.

"**Fund Share**" means a unit, interest or share of each ETF, and references to "**holder of Fund Shares**" and "Fund Shareholder" shall be construed accordingly.

"**Fund Share Closing Price**" means, in respect of a Fund Share and any relevant date, subject to these Fund Linked Conditions, an amount equal to the official closing price of such Fund Share quoted on the relevant Exchange as determined by the Calculation Agent on such date.

"**Fund Share Price**" means, in respect of a Fund Share and a time on a Scheduled Trading Day and subject to these Fund Linked Conditions, the price of such Fund Share at such time on such day as determined by the Calculation Agent.

"**Initial Price**" means, in respect of a Fund Share, unless otherwise specified in the applicable Final Terms, the Fund Share Closing Price of such Fund Share on the Strike Date, subject to adjustment in accordance with these Fund Linked Conditions.

"**Observation Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Observation Date or, if earlier, the Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Observation Date, provided that the Observation Cut-Off Date shall not fall prior to the original date on which such Observation Date was scheduled to fall.

"**Observation Date**" means each date specified as such in the applicable Final Terms, or if such date is not a Scheduled Trading Day the immediately following Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall be applicable, the immediately following

Common Scheduled Trading Day), or, if earlier, the Observation Cut-Off Date. If any such day is a Disrupted Day, then:

(a) where the Fund Linked Instruments relate to a single Fund, the Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Fund Share, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Observation Cut-Off Date;

(b) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provide that "Common Scheduled Trading Days" shall not be applicable, the Observation Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date (or, if earlier, the Observation Cut-Off Date) and the Observation Date for each Fund Share affected (each an "**Affected Fund Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Fund Share, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day relating to the Affected Fund Share. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Fund Share, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date for such Fund Share (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Fund Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Fund Share as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions;

(c) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Observation Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date (or if the Scheduled Observation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day, or in either case, if earlier, the Observation Cut-Off Date) and the Observation Date for each Fund Share affected (each an "**Affected Fund Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Fund Share, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date (or if the Scheduled Observation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day) up to, and including, the Observation Cut-Off Date is a Disrupted Day relating to the Affected Fund Share. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date for such Fund Share (notwithstanding the fact that such day may be a Disrupted Day for a Fund Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Fund Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Fund Share as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions; or

(d) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted

Days" shall be applicable, the Observation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Fund Share, unless each of the Common Scheduled Trading Days immediately following the Scheduled Observation Date up to, and including, the Observation Cut-Off Date is a Disrupted Day for one or more Fund Shares. In that case, or if such Observation Date falls on the Observation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Observation Cut-Off Date shall be deemed to be the Observation Date (notwithstanding the fact that such day may be a Disrupted Day for a Fund Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to each Fund Share for which the Observation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Fund Share as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions.

"**Observation Period**" means, in respect of a Fund Share:

(a) if the consequence of "Extension" is specified in the applicable Final Terms to be applicable, each period commencing on, the Observation Period Start Date, following adjustment of such date pursuant to these Fund Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, following adjustment of such date pursuant to these Fund Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms); or

(b) if the consequence of "No Extension" is specified in the applicable Final Terms to be applicable, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Fund Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period Start Date, as specified in the applicable Final Terms) and ending on the immediately following Observation Period End Date, prior to any adjustment of such date pursuant to these Fund Linked Conditions or as specified in the applicable Final Terms, if applicable (and including or excluding such Observation Period End Date, as specified in the applicable Final Terms).

"**Observation Period End Date**" means, in respect of a Fund Share, each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the provisions of "Observation Date", "Valuation Date" or otherwise as specified in the applicable Final Terms, if applicable.

"**Observation Period Start Date**" means, in respect of a Fund Share, each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the provisions of "Observation Date", "Valuation Date" or otherwise as specified in the applicable Final Terms, if applicable.

"**Related Exchange**" means, in relation to a Fund Share, each exchange or principal trading market specified as such for such Fund Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Fund Shares in respect of such Fund Share has temporarily relocated (provided the Calculation Agent has determined that there is comparable liquidity relative to such Fund Shares on such temporary substitute exchange or quotation system as on the original Related Exchange), provided however, that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms,

"**Related Exchange**" shall mean each exchange or principal trading market where trading has a material effect (as determined by the Calculation Agent) on the overall market for such Fund Shares.

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Observation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

"**Scheduled Trading Day**" means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Strike Date**" means the date specified as such in the applicable Final Terms.

"**Underlying Index**" means the underlying index specified in the applicable Final Terms.

"**Valuation Cut-Off Date**" means the eighth Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the eighth Common Scheduled Trading Day) immediately following the Scheduled Valuation Date, or, if earlier, the Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the Common Scheduled Trading Day) falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

"**Valuation Date**" means each Valuation Date specified in the applicable Final Terms, or if that is not a Scheduled Trading Day the immediately following Scheduled Trading Day (or, where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, the immediately following Common Scheduled Trading Day), or, if earlier, the Valuation Cut-Off Date. If such day is a Disrupted Day, then:

(a) where the Fund Linked Instruments relate to a single Fund, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to, and including, the Valuation Cut-Off Date is a Disrupted Day. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Fund Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Valuation Cut-Off Date; or

(b) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" shall not be applicable, the Valuation Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Fund Share affected (each an "**Affected Fund Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Fund Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Fund Share. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Fund Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation

Date for such Fund Share (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Fund Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for the Affected Fund Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions;

(c) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Individual Disrupted Days" shall be applicable, the Valuation Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or if the Scheduled Valuation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day, or in either case, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Fund Share affected (each an "**Affected Fund Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Fund Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date (or if the Scheduled Valuation Date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day) up to, and including, the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Fund Share. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Fund Share (notwithstanding the fact that such day may be a Disrupted Day for a Fund Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to such Fund Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Fund Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions; or

(d) where the Fund Linked Instruments relate to a Basket of Funds and the applicable Final Terms provides that "Common Scheduled Trading Days" and "Common Disrupted Days" shall be applicable, the Valuation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day for any Fund Share, unless each of the Common Scheduled Trading Days immediately following the Scheduled Valuation Date up to, and including, the Valuation Cut-Off Date is a Disrupted Day for one or more Fund Shares. In that case, or if the Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Common Scheduled Trading Day, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day for a Fund Share or not a Common Scheduled Trading Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to each Fund Share for which the Valuation Cut-Off Date is a Disrupted Day or is not a Common Scheduled Trading Day, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the price for such Fund Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions.

"**Valuation Time**" means the Valuation Time specified in the applicable Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date in relation to each Fund Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Worst Performing Fund Share**" means, in respect of a Basket of Funds and the Valuation Date (unless otherwise specified in the applicable Final Terms), the Fund Share with the lowest Fund Performance on such day, as determined by the Calculation Agent (provided that if two or more Fund Shares have the same lowest Fund Performance on such day, the Calculation Agent shall determine which Fund Share shall be the Worst Performing Fund Share in its sole and absolute discretion, and such Fund Share shall be the Worst Performing Fund Share).

8. **Barrier Event**

(a) A "**Barrier Event (intraday)**" means (and a Barrier Event (intraday) shall be deemed to occur if), in respect of a Fund Share, the Calculation Agent determines that the Fund Share Price of such Fund Share as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Fund Share and such Barrier Event Determination Day.

For the purpose of determining whether a Barrier Event (intraday) has occurred on any day, the definition of Market Disruption Event specified in Fund Linked Condition 9 shall be amended such that (i) all references to "during the one-hour period that ends at the relevant Valuation Time" shall be deleted, and (ii) in sub-paragraph (b) each reference to "Valuation Time" and "Scheduled Closing Time" shall be construed as a reference to "Barrier Event Valuation Time (intraday)".

(b) A "**Barrier Event (closing)**" means (and a Barrier Event (closing) shall be deemed to occur if), in respect of a Fund Share, the Calculation Agent determines that the Fund Share Closing Price of any Fund Share as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is less than or equal to the corresponding Barrier Level for such Fund Share and such Barrier Event Determination Day.

9. **Market Disruption**

"**Market Disruption Event**" means, in respect of a Fund Share:

(a) the occurrence or existence at any time during the one-hour period that ends at the relevant Valuation Time:

(i) of any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:

(A) relating to the relevant Fund Share on such Exchange; or

(B) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying Index or any relevant successor index; or

(C) in futures or options contracts relating to such Fund Shares or the relevant Underlying Index on any relevant Related Exchange, or

(ii) of any event (other than an event described in (b) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to (A) effect transactions in, or obtain market values for, the Fund Shares on the Exchange, (B) effect transactions in, or obtain market values for securities that comprise 20 per cent. or more of the level of the relevant Underlying Index, or (C) to effect transactions in, or obtain market values for, futures or options contracts relating to such Fund Shares or the relevant Underlying Index on any relevant Related Exchange; or

(b) the closure on any Exchange Business Day of any relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange on such Exchange Business Day or, if earlier, (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material.

For the purpose of determining whether a Market Disruption Event exists in respect of a Fund Share at any time, if an event giving rise to a Market Disruption Event occurs in respect of a

security included in the relevant Underlying Index at that time, then the relevant percentage contribution of that security, to the level of the relevant Underlying Index shall be based on a comparison of (a) the portion of the level of the relevant Underlying Index attributable to that security, and (b) the overall level of the relevant Underlying Index immediately before the occurrence of such Market Disruption Event.

The Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 in the case of Notes, or W&C Instruments Condition 12 in the case of W&C Instruments of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Disrupted Day.

10. **Potential Adjustment Event**

"**Potential Adjustment Event**" means any of the following:

(a) a subdivision, consolidation or reclassification of relevant Fund Shares (unless resulting in a Merger Event or Tender Offer), or a free distribution or dividend of any such Fund Shares to existing holders by way of bonus, capitalisation or similar issue;

(b) a distribution, issue or dividend to existing holders of the relevant Fund Shares of (i) such Fund Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the ETF equally or proportionately with such payments to holders of such Fund Shares or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the ETF as a result of a spin-off or other similar transaction, or (iv) any other type of securities, rights or warrants or other assets in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(c) an extraordinary dividend as determined by the Calculation Agent;

(d) a call by the ETF in respect of relevant Fund Shares that are not fully paid;

(e) a repurchase by the ETF or any of its subsidiaries of relevant Fund Shares, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(f) in respect of an ETF, an event that results in any shareholder rights being distributed or becoming separated from Fund Shares of common stock or other shares of the capital stock of the ETF pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Shares.

Following a Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Fund Shares and, if so, will (a) make the corresponding adjustment(s), if any, to any one or more of the terms of the Terms and Conditions of the Instruments and/or the applicable Final Terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect and (b) determine the effective date(s) of that adjustment(s). The Calculation Agent may, but need not, determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Fund Shares traded on such options exchange.

Upon the making of any such adjustment, the Calculation Agent shall as soon as is reasonably practicable under the circumstances give notice to the Holders in accordance with Note Condition 14 in the case of Notes or W&C Instruments Condition 12 in the case of W&C

Instruments, as applicable, stating the adjustment made and giving brief details of the Potential Adjustment Event, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

11. **De-Listing, Insolvency, Material Underlying Event, Merger Date, Merger Event, Nationalisation, Tender Offer**

"**De-Listing**" means, in respect of a Fund Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, such Fund Share ceases (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an ETF, (a) all the Fund Shares of that ETF are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Fund Shares of that ETF become legally prohibited from transferring them.

"**Material Underlying Event**" means any of the following:

(a) the investment objectives and/or policies in respect of the ETF are materially changed;

(b) an illegality occurs or a relevant authorisation or licence is revoked in respect of the ETF and/or the ETF is required by a competent authority (other than any holder of the Fund Shares) to redeem any Fund Shares;

(c) there is a change in any relevant jurisdiction in respect of any payments made by the ETF in respect of any Fund Share as a result of which the amounts paid or to be paid by the Issuer in connection with hedging arrangements relating to the Instruments are materially reduced or otherwise adversely affected; and/or

(d) any other event occurs in relation to the ETF and/or the Fund Shares which is materially prejudicial to the Issuer in connection with the issue of the Instruments or any hedging arrangements relating to the Instruments,

as determined by the Calculation Agent.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Merger Event**" means, in respect of any relevant Fund Shares, any (a) reclassification or change of such Fund Shares that results in a transfer of or an irrevocable commitment to transfer all of such Fund Shares outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of the ETF with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such ETF is the continuing entity and which does not result in any such reclassification or change of all such Fund Shares outstanding) or (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Fund Shares of the relevant ETF that results in a transfer of or an irrevocable commitment to transfer all such Fund Shares (other than such Fund Shares owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the ETF or its subsidiaries with or into another entity in which the ETF is the continuing entity and which does not result in a reclassification or change of all such Fund Shares outstanding but results in the outstanding Fund Shares (other than Fund Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Fund Shares immediately following such event (a "**Reverse Merger**"), in each case if the Merger Date is on or before the Valuation Date (or such other date as is specified in the applicable Final Terms).

"**Nationalisation**" means that all the Fund Shares or all or substantially all the assets of an ETF are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the relevant ETF, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

If a De-Listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Material Underlying Event occurs in relation to any Fund Share, the Issuer in its sole and absolute discretion may take the action described in (a), (b) or (c) below:

(a) require the Calculation Agent, in its sole and absolute discretion, to determine the appropriate adjustment(s), if any, to be made to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms to account for the De-Listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Material Underlying Event, as the case may be, and determine the effective date(s) of that adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of the De-Listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Material Underlying Event made by any options exchange to options on the relevant Fund Share traded on that options exchange;

(b) (i) in the case of Notes give notice to the Noteholders in accordance with Note Condition 14, and redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount, or

(ii) in the case of W&C Instruments cancel the W&C Instruments by giving notice to Holders in accordance with W&C Instruments Condition 12. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument, or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument, or Unit, as the case may be, taking into account the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event, as the case may be, less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12; or

(c) following such adjustment to the settlement terms of options on the Fund Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Fund Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event, as the case may be, that in the determination of the Calculation Agent

would have given rise to an adjustment by the Options Exchange if such options were so traded.

Upon the occurrence of a Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 (in the case of Notes) or W&C Instruments Condition 12 (in the case of W&C Instruments) stating the occurrence of the Merger Event, Tender Offer, Nationalisation, De-listing, Insolvency or Material Underlying Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event, as the case may be.

12. **Additional Disruption Events**

(a) "**Additional Disruption Event**" means any of Change in Law, Hedging Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms.

"**Change in Law**" means that, on or after the Trade Date, (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Fund Share or (B) it will incur a materially increased cost in performing its obligations in relation to the Fund Linked Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its affiliates).

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Fund Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Fund Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

(b) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) (A) in the case of Notes, give notice to Holders in accordance with Note Condition 14 and redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or

(B) in the case of W&C Instruments, give notice to the Holders in accordance with W&C Instruments Condition 12 and cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Additional Disruption Event less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements) plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(c) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 or W&C Instruments Condition 12, as applicable, stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

13. **Application of Dividend Conditions**

Fund Linked Conditions 14 and/or 15 (as specified in the applicable Final Terms) shall only apply to any Fund Linked W&C Instruments linked to Exchange Traded Funds in respect of which the applicable Final Terms specify that the "Dividend Conditions" shall be applicable.

14. **Definitions (Dividend Conditions)**

"**Dividend Period**" means, in respect of the Fund Share and:

(a) American Style Warrants, the period commencing on, but excluding, the Trade Date and ending on, and including, the Expiration Date or the Actual Exercise Date (if earlier) of such Warrant; or

(b) European Style Warrants and Certificates, the period commencing on, but excluding, the Trade Date and ending on, and including, the Exercise Date.

"**Dividend Taxes**" means, in respect of the Fund Share and a Relevant Cash Dividend, any amounts that would have been withheld for or on account of tax if such cash dividend is paid to a Hypothetical Broker Dealer as the holder of one Fund Share, and excluding any reduction of such tax that is available to a Hypothetical Broker Dealer pursuant to a double tax treaty or any other applicable domestic exemption, where each such tax is converted into the Settlement Currency using the relevant Exchange Rate on or around the date on which such tax is due, as determined by the Calculation Agent.

"**Ex-Dividend Date**" means, in respect of the Fund Share and a Gross Cash Dividend in respect of such Fund Share, the date that the Fund Share commences trading ex-dividend in respect of such Gross Cash Dividend on the Exchange, as determined by the Calculation Agent.

"**Exchange Rate**" means the rate specified as such in the applicable Final Terms.

"**Gross Cash Dividend**" means, in respect of the Fund Share, each sum declared by the relevant ETF as a dividend for one such Fund Share before the withholding or deduction of taxes at the source by or on behalf of any applicable authority having power to tax in respect of such a dividend, and shall exclude any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such dividend and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon.

"**Hypothetical Broker Dealer**" means a hypothetical broker dealer subject to the same securities laws and rules and regulations of any securities regulators, exchanges and self-regulating organisations as applicable to the Issuer or the Dealer, provided, however, that such

hypothetical broker dealer is deemed not entitled to any benefits, exemption or reduction in tax pursuant to any double tax treaty or otherwise.

"**Relevant Cash Dividend**" means in respect of the Fund Share, a Gross Cash Dividend per Fund Share as declared by the relevant ETF where the Ex-Dividend Date falls within the Dividend Period and the full payment in cash in respect of such Gross Cash Dividend would have been made to a Hypothetical Broker Dealer as the holder of one Fund Share within the Dividend Period, as determined by the Calculation Agent.

15. **Additional Amounts**

Unless the W&C Instruments have previously been exercised, or purchased and cancelled in accordance with the Conditions (as supplemented and amended herein), the Issuer shall pay to the Holder of each W&C Instrument the Additional Amount in respect of such W&C Instrument on each Additional Amount Payment Date. W&C Instruments Conditions 26(A) and (B) (in respect of Warrants) and W&C Instruments Conditions 33(A) and (B) (in respect of Certificates) shall not apply.

"**Additional Amount**" means, in respect of the Fund Share and a Relevant Cash Dividend, an amount calculated by the Calculation Agent as:

(a) an amount equal to the difference between (i)(A) the product of the Additional Amount Proportion multiplied by the Relevant Cash Dividend per Fund Share that would have been received by a Hypothetical Broker Dealer as the holder of one Fund Share, divided by (B) the relevant Exchange Rate on or around the date on which such Relevant Cash Dividend would have been received by a Hypothetical Broker Dealer from the relevant ETF, minus (ii) any Dividend Taxes; multiplied by

(b) the Number of Fund Shares per W&C Instrument in respect of the Fund Share.

"**Additional Amount Payment Date**" means, unless otherwise specified in the applicable Final Terms, in respect of each Additional Amount, the fifth Business Day following the date on which the corresponding Relevant Cash Dividend would have been received, from the relevant ETF by a Hypothetical Broker Dealer as the holder of the relevant Fund Share.

"**Additional Amount Proportion**" means the amount specified as such in the applicable Final Terms.

"**Number of Fund Shares per W&C Instrument**" means the amount specified as such in the applicable Final Terms.

ANNEX 8

ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED INSTRUMENTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Inflation Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for Inflation Linked Instruments set out below (the "**Inflation Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. The terms and conditions applicable to Inflation Linked W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Inflation Linked Conditions, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Notes, or the W&C Instruments Conditions, in the case of W&C Instruments, and the Inflation Linked Conditions, the Inflation Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions or the W&C Instruments Conditions and/or the Inflation Linked Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Inflation Linked Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

2. **Definitions**

For the purpose of the Inflation Linked Instruments:

"**Cut-Off Date**" means, in respect of a Determination Date, five Business Days prior to such Determination Date, unless otherwise stated in the applicable Final Terms.

"**Delayed Index Level Event**" means, in respect of any Determination Date and an Inflation Index, that the relevant Inflation Index Sponsor fails to publish or announce the level of such Inflation Index (the "**Relevant Level**") in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of such Determination Date, at any time on or prior to the Cut-Off Date.

"**Determination Date**" means each date specified as such in the applicable Final Terms.

"**End Date**" means each date specified as such in the applicable Final Terms.

"**Fallback Bond**" means, in respect of an Inflation Index, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Inflation Index relates, and which pays a coupon or redemption amount which is calculated by reference to such Inflation Index, with a maturity date which falls on (a) the same day as the End Date as specified in the applicable Final Terms, (b) the next longest maturity after the End Date if there is no such bond maturing on the End Date, or (c) the next shortest maturity before the End Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the relevant Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

"**Inflation Index**" means each inflation index specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Inflation Index Sponsor**" means, in relation to an Inflation Index, the entity that publishes or announces (directly or through an agent) the level of such Inflation Index which, as of the Issue Date, is the Inflation Index Sponsor specified in the applicable Final Terms.

"**Reference Month**" means the calendar month for which the level of the Inflation Index was reported, regardless of when this information is published or announced. If the period for which the level of the Inflation Index was reported is a period other than a month, the Reference Month shall be the period for which the level of the Inflation Index was reported.

"**Related Bond**" means, in respect of an Inflation Index, the bond specified as such in the applicable Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then, for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not Applicable" is specified in the applicable Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms and that bond redeems or matures before the End Date, unless "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination.

3. **Inflation Index Adjustments**

(a) Delay in Publication

Subject to Inflation Linked Condition 3(b), if the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation Index has occurred with respect to any Determination Date, then the Relevant Level for such Inflation Index the subject of such Delayed Index Level Event (the "**Substitute Index Level**") shall be determined by the Calculation Agent as follows:

(i) if Related Bond is specified as applicable for such Inflation Index in the applicable Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the relevant Related Bond; or

(ii) if (A) Related Bond is not specified as applicable for such Inflation Index in the applicable Final Terms, or (B) the Calculation Agent is not able to determine a Substitute Index Level under (i) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level/Reference Level)

where:

"**Base Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

"**Latest Level**" means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

"**Reference Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Issuer shall give notice to Holders in accordance with Note Condition 14, or W&C Instruments Condition 12, as applicable, of any Substitute Index Level calculated pursuant to this Inflation Linked Condition 3.

(b) Cessation of Publication

If a level for the Inflation Index has not been published or announced for two consecutive months or the Inflation Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index then the Calculation Agent shall determine a successor index (in lieu of any previously applicable Inflation Index) for the purposes of the Inflation Linked Instruments by using the following methodology:

(i) if, at any time, a successor index has been designated by the Calculation Agent pursuant to the terms and conditions of the Related Bond, such successor index shall be designated a "Successor Index" notwithstanding that any other Successor Index may previously have been determined under paragraphs (ii), (iii) or (iv) below; or

(ii) if a Successor Index has not been determined pursuant to Inflation Linked Condition 3(b)(i) and a notice has been given or an announcement has been made by the Inflation Index Sponsor, specifying that the Inflation Index will be superseded by a replacement Inflation Index specified by the Inflation Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, such replacement index shall be the Inflation Index for purposes of the Inflation Linked Instruments from the date that such replacement Inflation Index comes into effect; or

(iii) if a Successor Index has not been determined pursuant to Inflation Linked Condition 3(b)(i) or Inflation Linked Condition 3(b)(ii), the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "Successor Inflation Index". If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the "Successor Inflation Index". If fewer than three responses are received, the Calculation Agent will proceed to Inflation Linked Condition 3(b)(iv); or

(iv) if no replacement index or Successor Inflation Index has been deemed under Inflation Linked Conditions 3(b)(i), 3(b)(ii) or 3(b)(iii), by the next occurring Cut-Off Date the Calculation Agent will determine an appropriate alternative index from such Cut-Off Date, and such index will be deemed a "Successor Inflation Index"; or

(v) (A) if the Calculation Agent determines that there is no appropriate alternative index, in relation to Notes, the Issuer shall give notice to the Holders in accordance with Note Condition 14 and redeem all (but not less than all) of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount; or

(B) in relation to W&C Instruments, the Issuer shall give notice to the Holders in accordance with W&C Instruments Condition 12 and cancel the W&C Instruments. If the W&C Instruments are so cancelled the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(c) Rebasing of the Inflation Index

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of the Inflation Index from the date of such rebasing; provided, however, that the Calculation Agent shall make adjustments as are made by the calculation agent pursuant to the terms and conditions of the Related Bond, if Related Bond is specified as applicable in the applicable Final Terms, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased, or, if Related Bond is not specified as applicable in the applicable Final Terms the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased.

(d) Material Modification Prior to Last Occurring Cut-Off

If, on or prior to the last occurring Cut-Off Date, the Inflation Index Sponsor announces that it will make a material change to the Inflation Index then the Calculation Agent shall make any such adjustments, if Related Bond is specified as applicable in the applicable Final Terms, consistent with adjustments made to the Related Bond, or, if Related Bond is not specified as applicable in the applicable Final Terms, only those adjustments to the Inflation Index necessary for the modified Inflation Index to continue as the Inflation Index.

ANNEX 9A

ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED NOTES

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Credit Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for Credit Linked Notes set out below (the "**Credit Linked Note Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions and the Credit Linked Note Conditions, the Credit Linked Note Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions and/or the Credit Linked Note Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Credit Linked Note Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes".

2. **Definitions**

"**Aggregate Loss Amount**" means with respect to Tranched Portfolio CLNs and any date, the aggregate of all Loss Amounts calculated with respect to all Reference Entities up to and including such date.

"**Asset**" means each obligation, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realised or capable of being realised in circumstances where the right and/or other asset no longer exists).

"**Asset Market Value**" means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

"**Asset Package**" means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combinations of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

"**Asset Package Credit Event**" means:

(a) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms:

  (i) a Governmental Intervention; or

  (ii) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in the applicable Final Terms and such Restructuring does not constitute a Governmental Intervention; and

(b) if the Reference Entity is a Sovereign and "Restructuring" is specified as applicable in the applicable Final Terms, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

Asset Package Delivery will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Event Determination Date, or (ii) if the Reference Entity is a

Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event.

"**Attachment Point**" in relation to Tranched Portfolio CLNs, has the value given in the applicable Final Terms.

"**Auction**" has the meaning set forth in the Transaction Auction Settlement Terms.

"**Auction Cancellation Date**" means the date on which an Auction is deemed to be cancelled pursuant to the Transaction Auction Settlement Terms with respect to the relevant Reference Entity, or, if the Issuer has delivered a Notice to Exercise Movement Option to the Holders, the date on which a Parallel Auction is deemed to be cancelled pursuant to the Parallel Auction Settlement Terms identified by the Issuer in such notice.

"**Auction Covered Transaction**" has the meaning set forth in the Transaction Auction Settlement Terms.

"**Auction Final Price**" has the meaning given to it in the Transaction Auction Settlement Terms or the Parallel Auction Settlement Terms identified by the Issuer in its Notice to Exercise Movement Option (in the latter case, provided that such Notice to Exercise Movement Option has been delivered to the Holders on or prior to the date falling 15 Business Days following the Auction Final Price Determination Date for such Parallel Auction Settlement Terms).

"**Auction Final Price Determination Date**" means the day, if any, on which the Auction Final Price is determined pursuant to the Transaction Auction Settlement Terms or, in the case of an M(M)R Restructuring, if the Calculation Agent has delivered a Notice to Exercise Movement Option to the Issuer on or prior to the Movement Option Cut-off Date, the Parallel Auction Settlement Terms identified by the Calculation Agent in such notice, in each case with respect to the relevant Reference Entity.

"**Auction Settlement Amount**" means the amount specified as such in the applicable Final Terms or if no such amount is specified in the applicable Final Terms, an amount calculated by the Calculation Agent equal to:

$$(\mathrm{A}\times\mathrm{B}) - C$$

where:

"**A**" is the Calculation Amount;

"**B**" is the Auction Final Price; and

"**C**" is Unwind Costs,

provided that in no event shall the Auction Settlement Amount be less than zero.

"**Auction Settlement Date**" means the date which is the number of Business Days specified in the applicable Final Terms after the Auction Final Price Determination Date, or if no such number of Business Days is specified in the applicable Final Terms, eight Business Days after the Auction Final Price Determination Date.

"**Bankruptcy**" means a Reference Entity:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement, 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 30 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 any analogous effect to any of the events specified in clauses (a) to (g) (inclusive).

"**Cancellation Notice**" means a notice given by the Calculation Agent to the Issuer upon making a determination in respect of a Reference Entity that:

(a) no Credit Event or (if Grace Period Extension Date is applicable) Potential Failure to Pay or (if Potential Repudiation/Moratorium is applicable) Potential Repudiation/Moratorium has occurred on or prior to the Scheduled Maturity Notice Date;

(b) if a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Notice Date promptly upon making a determination that no Failure to Pay has occurred with respect to the relevant obligation; or

(c) if a Potential Repudiation/Moratorium has occurred on or prior to the Scheduled Maturity Notice Date promptly upon making a determination that no Repudiation/Moratorium has occurred with respect to the relevant obligation (such determination being made prior to the Repudiation/Moratorium Evaluation Date),

provided that, if a DC No Credit Event Announcement has occurred in respect of the relevant Reference Entity and the same event, a Cancellation Notice shall be deemed to be given by the Calculation Agent to the Issuer and the Conditions shall be construed accordingly (provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, no Cancellation Notice shall be deemed to be given unless the Calculation Agent notifies the Issuer that such DC No Credit Event Announcement shall apply to the relevant Instruments).

"**CLN Maturity Date**" means the later of:

(a) the Scheduled Maturity Date; or

(b) where the Calculation Agent delivers an Extension Notice to the Issuer on or prior to the Scheduled Maturity Date (or, if later, the second Business Day following the Scheduled Maturity Notice Date):

    (i) the date falling 15 Business Days (or such other date as may be specified in the applicable Final Terms) after the Extension Date (and only where an Event Determination Date has not occurred on or prior to the Extension Date);

(ii) if a Credit Event Resolution Request Date has occurred on or prior to the expiry of the Notice Delivery Period, (x) the date falling 15 Business Days (or such other date as may be specified in the applicable Final Terms) after the later to occur of: (A) the related DC No Credit Event Announcement; or (B) the related DC Credit Event Question Dismissal; or (y) if a DC Credit Event Announcement occurs, the Auction Settlement Date or Credit Event Redemption Date, as applicable (provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, this sub-paragraph (ii) shall not apply to the relevant Instruments unless the Calculation Agent notifies the Issuer that such DC Resolution shall apply to the relevant Credit Linked Notes); or

(iii) three Business Days following the date the Cancellation Notice is delivered by the Calculation Agent to the Issuer.

"**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 both the NOPS Effective Date and the Delivery Date, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Conditionally Transferable Obligation". In addition:

(a) where "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms (or where Physical Settlement is applicable as the Fallback Settlement Method pursuant to a Fallback Settlement Event), Mod Mod R is applicable (or deemed applicable) under the applicable Final Terms and a Deliverable Obligation is a Conditionally Transferable Obligation with respect to which consent is required to novated, assign or transfer, then if the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Final Delivery Date (in which case it shall be deemed to have been refused), the Issuer shall promptly notify the Holders of such refusal (or deemed refusal) and may redeem or cancel (as applicable) the Instruments in accordance with Credit Linked Note Condition 9 as if such obligation were an Undeliverable Obligation; and

(b) for purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, the final maturity date shall, subject to Credit Linked Note Condition 5, be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

"**Credit Derivatives Auction Settlement Terms**" means in relation to any Reference Entity, the credit derivatives auction settlement terms published by ISDA with respect to the relevant Reference Entity and the relevant Credit Event, which may be amended from time to time.

"**Credit Derivatives Definitions**" means the 2014 ISDA Credit Derivatives Definitions, as published by ISDA and, if "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)" applies, as supplemented by the 2019 Narrowly Tailored Credit Event Supplement to the 2014 ISDA Credit Derivatives Definitions (the "**2019 NTCE Supplement**"). "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15,2019)" applies if, in respect of the Transaction Type specified in the applicable Final Terms, the applicable Physical Settlement Matrix specifies that the 2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019) applies to such Transaction Type.

"**Credit Derivatives Determinations Committees**" means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions.

"**Credit Event**" means the occurrence of any one or more of the Credit Events specified in the applicable Final Terms which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring, Governmental Intervention or any additional Credit Event specified in the applicable Final Terms, as determined by the Calculation Agent.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

(a) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;

(b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;

(c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or

(d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

"**Credit Event Backstop Date**" means: (a) for purposes of any event that constitutes a Credit Event (or with respect to a Repudiation/Moratorium, if applicable, the event described in sub-paragraph (b) of the definition of "Repudiation/Moratorium"), 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 unless otherwise provided for in the applicable Final Terms.

"**Credit Event Notice**" means an irrevocable notice from the Calculation Agent to the Issuer that describes a Credit Event that occurred on or after the Credit Event Backstop Date or (where "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms) the Credit Observation Start Date specified in the applicable Final Terms (or if none is so specified, the date falling 60 calendar days prior to the Trade Date) and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Maturity Notice 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 outstanding principal amount of the Notes in respect of the relevant Reference Entity.

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 Redemption Amount**" means the amount specified as such in the applicable Final Terms or if no such amount is specified in the applicable Final Terms, an amount calculated by the Calculation Agent equal to:

$$(\mathrm{A}\times\mathrm{B}) - C$$

where:

"**A**" is the Calculation Amount;

"**B**" is the Final Price; and

"**C**" is Unwind Costs,

provided that in no event shall the Credit Event Redemption Amount be less than zero.

"**Credit Event Redemption Date**" means the day falling the number of Business Days specified in the applicable Final Terms after the calculation of the Final Price, or if no such number of Business Days is specified in the applicable Final Terms, eight Business Days after the Final Price is determined.

"**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 Observation Start Date**" means the date described as such in the applicable Final Terms or if no date is so specified, the date falling 60 calendar days prior to the Trade Date.

"**Credit Settlement Date**" means the last day of the longest Physical Settlement Period following the date the Notice of Physical Settlement is delivered by the Calculation Agent to the Issuer (the "**Scheduled Credit Settlement Date**") provided that if in the determination of the Calculation Agent (acting in its sole discretion) a Hedge Disruption Event has occurred and is continuing on the second Business Day immediately preceding the Scheduled Credit Settlement Date, the Credit Settlement Date shall be the earlier of (i) the second Business Day following the date on which the Calculation Agent determines (acting in its sole discretion) that no Hedge Disruption Event subsists and (ii) the day falling 60 Business Days following the Scheduled Credit Settlement Date.

"**Currency Amount**" means with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted to the relevant Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert the Replaced Deliverable Obligation Outstanding Amount of each Deliverable Obligation so replaced by a NOPS Amendment Notice into the currency of denomination of the relevant Replacement Deliverable Obligation.

"**Currency Rate**" means with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Principal Balance or Due and Payable Amount (as applicable) of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, determined by the Calculation Agent and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

"**Currency Rate Source**" means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

"**DC Announcement Coverage Cut-off Date**" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable.

"**DC Credit Event Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, provided that (i) if the Credit Event occurred after the Scheduled Maturity Notice Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date and (ii) if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms a DC Credit Event Announcement shall be deemed not to have occurred unless the Calculation Agent has notified the Issuer that such announcement shall apply to the relevant Instruments.

"**DC No Credit Event Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, a DC No Credit Event Announcement shall be deemed not to have occurred unless the Calculation Agent notifies the Issuer that such announcement shall apply to the relevant Instruments.

"**DC Credit Event Meeting Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

"**DC Credit Event Question**" means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

"**DC Credit Event Question Dismissal**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"**DC Resolution**" has the meaning given to that term in the DC Rules.

"**DC Rules**" means the Credit Derivatives Determinations Committees Rules as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

"**DC Secretary**" has the meaning given to that term in the DC Rules.

"**Default Requirement**" means the amount specified as such in the applicable Final Terms, or its equivalent in the relevant Obligation Currency or, if a Default Requirement is not specified in the applicable Final Terms, U.S.$10,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Credit Event.

"**Deferred Coupon Adjustment Amount**" means in respect of Tranched Portfolio CLNs and each Interest Period, where one or more preceding Interest Periods is an Unsettled Event Determination Interest Period, an amount equal to:

(a) the interest that would have been paid in respect of such Unsettled Event Determination Interest Period(s), had the Calculation Agent, in respect of the relevant Undetermined Reference Entity Date(s), made its determination(s) that no Event Determination Date

has occurred or, as the case may be, the Final Price Calculation Date has occurred, in each case, on such Undetermined Reference Entity Date(s); minus

(b) the interest paid in respect of such Unsettled Event Determination Interest Period(s).

"**Deliver**" means:

(a) to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable title) and interest in the Entitlement to the relevant Holder free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set out in (a) to (d) in the definition of "Credit Event" above) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor); provided that (i) if all or a portion of the Entitlement consists of Direct Loan Participations, "Deliver" means to create (or procure the creation of) a participation in favour of the relevant Holder and (ii) if a Deliverable Obligation is a Guarantee, "Deliver" means to Deliver both the Underlying Obligation and the Guarantee provided further that if the Guarantee has a Fixed Cap, "Deliver" means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap. "Delivery" and "Delivered" will be construed accordingly.

In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time provided that the Issuer shall be under no obligation to Deliver such Loan or designate a Replacement Deliverable Obligation to a Holder unless the relevant Holder executes, and/or complies with the provisions of any documentation (which shall include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve or the Calculation Agent determines is appropriate for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves or the Calculation Agent determines constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves or the Calculation Agent determines is appropriate. If any Holder does not execute and/or do not comply with the provisions of such documentation, the Issuer shall redeem the relevant proportion of the Instruments in accordance with Credit Linked Note Condition 9.

(b) If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (ii) sub-paragraph (a) of the definition of "Deliver" shall be deemed to apply to each Asset in the Asset Package provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Calculation Agent has specified the detailed description of the Asset Package comprising the Entitlement that the Issuer shall endeavour to Deliver in accordance with the definition of Notice of Physical Settlement, (iv) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

"**Deliverable Obligation**" means, subject as provided in Credit Linked Note Condition 5:

(a) any obligation of a Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in "(A) Method for Determining Deliverable Obligations" below;

(b) the Reference Obligation;

(c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and

(d) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if "Financial Reference Entity Terms" is specified as applicable in the applicable Final 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 purposes of sub-paragraph (d) above, immediately prior to the relevant Asset Package Credit Event).

(A) **Method for Determining "Deliverable Obligations"**. For the purposes of this definition of "Deliverable Obligation", the term "Deliverable Obligation" may be defined as each obligation of each Reference Entity described by the Deliverable Obligation Category specified (or deemed to be specified) in the applicable Final Terms, and, subject to (B)(3) below, having each of the Deliverable Obligation Characteristics, if any, specified (or deemed to be specified) in the applicable Final Terms, in each case, as of both the NOPS Effective Date and the Delivery Date thereof. The following terms shall have the following meanings:

(1) "**Deliverable Obligation Category**" means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan (each as defined in the definition of "Obligation" below, except that, for the purpose of determining Deliverable Obligations, the definition of "Reference Obligation Only" shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).

(2) "**Deliverable Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance (each as defined in the definition of "Obligation" below), Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer where:

(i) "**Assignable Loan**" means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent;

(ii) "**Consent Required Loan**" means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such loan) or any agent;

(iii) "**Direct Loan Participation**" means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Holder that provides each Holder 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 Holder and either (A) the Issuer or the Guarantor (as applicable) (in either case, to the extent that the Issuer or the Guarantor, as applicable, is then a lender or a member of the relevant lending

syndicate), or (B) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);

(iv) "**Transferable**" means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

(a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);

(b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or

(c) restrictions in respect of blocked periods on or around payment dates or voting periods.

(v) "**Maximum Maturity**" means an obligation that has a remaining maturity of not greater than (a) the period specified in the applicable Final Terms or (b) if no such period is specified in the applicable Final Terms, 30 years.

(vi) "**Accelerated or Matured**" means an obligation under which the total amount owed, whether by reason of maturity, acceleration, termination or otherwise is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws; and

(vii) "**Not Bearer**" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream, Luxembourg or any other internationally recognised clearing system.

(B) **Interpretation of Provisions**

(1) If (i) either of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Deliverable Obligation Category; (ii) the Deliverable Obligation Characteristic "Transferable" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category); or (iii) any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Deliverable Obligation Category.

(2) If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Deliverable Obligation Characteristics, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

(3) If a Deliverable Obligation is a Relevant Guarantee, the following will apply:

(a) For purposes of the application of the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;

(b) For purposes of the application of the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law";

(c) For purposes of the application of the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated" or "Matured" and "Not Bearer"; and

(d) For purposes of the application of the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

(4) For purposes of the application of the Deliverable Obligation Characteristic "Maximum Maturity", remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.

(5) If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy a particular Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Deliverable Obligation Characteristic;

(6) For purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Linked Note Condition 5 to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event; and

(7) If "Subordinated European Insurance Terms" is specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy the "Maximum Maturity" Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

"**Delivery Date**" means, with respect to a Deliverable Obligation or an Asset Package, the date such Deliverable Obligation is Delivered (or deemed Delivered under sub-paragraph (b)(iii) of the definition of "Deliver").

"**Domestic Currency**" means the currency specified as such in the applicable Final Terms and any successor currency thereto (or, if no such currency is specified in the applicable Final Terms, the lawful currency and any successor currency of (a) the Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if the Reference Entity is not a Sovereign.

"**Domestic Law**" means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if such Reference Entity is not a Sovereign.

"**Downstream Affiliate**" means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity.

"**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 NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date) or (B) the Valuation Date, as applicable.

"**Eligible Information**" means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

"**Eligible Transferee**" means each of the following:

(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 of "Eligible Transferee"); and

(iv) registered or licensed broker or dealer (other than a natural person or proprietorship),

provided, however, in each case that such entity has total assets of at least U.S.$500 million;

(b) an Affiliate of an entity specified in the preceding sub-paragraph (a);

(c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:

(i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least U.S.$100 million or (2) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least U.S.$100 million; or

(ii) that has total assets of at least U.S.$500 million; or

(iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in sub-paragraphs (a), (b), (c)(ii) or (d) of this definition of "Eligible Transferee"; or

(d) (i) any Sovereign; or

(ii) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International

Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition to U.S.$ include equivalent amounts in other currencies, as determined by the Calculation Agent.

"**Entitlement**" means, in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, Deliverable Obligations, as selected by the Calculation Agent in its sole and absolute discretion, with:

(a) in the case of Deliverable Obligations that are Borrowed Money, an Outstanding Principal Balance (including accrued but unpaid interest (as determined by the Calculation Agent) if "Include Accrued Interest" is specified as applying in the applicable Final Terms, but excluding accrued but unpaid interest if "Exclude Accrued Interest" is specified as applying in the applicable Final Terms, and if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified as applying in the applicable Final Terms, excluding accrued but unpaid interest); or

(b) in the case of Deliverable Obligations that are not Borrowed Money, a Due and Payable Amount,

(or, in the case of either (a) or (b), the equivalent Currency Amount of any such amount), in an aggregate amount as of the relevant Delivery Date equal to the Calculation Amount less Deliverable Obligations with a market value determined by the Calculation Agent in its sole and absolute discretion on the Business Day selected by the Calculation Agent falling during the period from and including the Event Determination Date to and including the Delivery Date equal to the relevant amount of Unwind Costs, if Unwind Costs are specified as applicable in the applicable Final Terms, rounded down to the nearest specified denomination or permitted transfer amount of the Deliverable Obligations comprised in such Entitlement.

Where the Entitlement is rounded down as described above, the Holders will also receive, in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, the value of the amount of that fraction of the Deliverable Obligations obtained in calculating the Entitlement after rounding down (as determined by the Calculation Agent), as calculated by the Calculation Agent in its sole discretion from such source(s) as it may select (converted if necessary into the Specified Currency by reference to such exchange rate as the Calculation Agent deems appropriate).

If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the Outstanding Principal Balance of such obligation as of the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the Outstanding Principal Balance of such obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

"**Event Determination Date**" means, with respect to a Credit Event and any Instruments with respect to which:

(a) "**Auction Settlement**" is the applicable Settlement Method:

(i) if (x), subject to (ii) below, "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms or (y) neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred (in each case, with respect to the Credit Event specified in the Credit Event Notice), the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period; or

(ii) if (x) (A) "Calculation Agent Determination" is not specified as being applicable in the applicable Final Terms or (B) "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms but the Calculation Agent notifies the Issuer that this sub-paragraph (ii) shall apply to the relevant Instruments and (y) a DC Credit Event Announcement has occurred on or prior

to the last day of the Notice Delivery Period (including prior to the Issue Date), the Credit Event Resolution Request Date, provided that:

(1) (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

(2) (I) the Credit Event is an M(M)R Restructuring; and

(II) a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective on or prior to the Business Day following the Exercise Cut-off Date,

provided that:

(x) no Credit Settlement Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;

(y) if any Valuation Date or Delivery Date, as applicable, has occurred as of the date on which the DC Credit Event Meeting Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the outstanding principal amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred;

(z) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has been delivered by the Issuer to the Holders (A) unless the M(M)R Restructuring stated in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date; (B) unless, and to the extent that, the Partial Redemption Amount or the Partial Cancellation Amount (as applicable) specified in any such Credit Event Notice was less than the then outstanding principal amount; or (C) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out in the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction; or

(b) sub-paragraph (a) does not apply, the Non-Standard Event Determination Date determined in accordance with the definition thereof.

Notwithstanding the foregoing (unless "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms), 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, a DC No Credit Event Announcement in respect of such event occurs prior to the Auction Final Price Determination Date, a Valuation Date, the Credit Settlement Date (or, if earlier, a Delivery Date), or the CLN Maturity Date, as applicable (and if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms only if the Calculation Agent notifies the Issuer that this paragraph shall apply to the relevant Instruments).

Where the Instruments are Nth-to-Default CLNs and an Event Determination Date has occurred with respect to more than one Reference Entity on the same day, the Calculation Agent shall determine in its sole discretion the order in which such Event Determination Dates were deemed to occur.

"**Excluded Deliverable Obligation**" means

(a) any obligation of the Reference Entity specified as such or of a type described in the applicable Final Terms;

(b) any principal only component of a Bond from which some or all of the interest components have been stripped; and

(c) if Asset Package Delivery is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

"**Excluded Obligation**" means

(a) any obligation of a Reference Entity specified as such or of a type described as such in the applicable Final Terms.

(b) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Instruments are a Senior Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

(c) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Instruments are a Subordinated Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"**Exercise Cut-Off Date**" means either:

(a) with respect to an M(M)R Restructuring to which sub-paragraph (a) of the definition of Event Determination Date applies:

    (i) if the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; or

    (ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date; or

(b) with respect to a Credit Event to which sub-paragraph (a) of the definition of Event Determination Date does not apply, the Non-Standard Exercise Cut-off Date determined in accordance with the definition of Non-Standard Exercise Cut-off Date,

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

"**Exhaustion Point**" in respect of Tranched Portfolio CLNs has the value given in the applicable Final Terms.

"**Exhaustion Threshold Amount**" in respect of Tranched Portfolio CLNs means Implicit Portfolio Size multiplied by Exhaustion Point.

"**Extension Date**" means the latest of:

(a) the Scheduled Maturity Notice Date;

(b) the Grace Period Extension Date if (i) "Failure to Pay" and "Grace Period Extension" are specified (or deemed specified) as applicable in the applicable Final Terms, (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Scheduled Maturity Notice Date; and

(c) the Repudiation/Moratorium Evaluation Date (if any) if "Repudiation/Moratorium" is specified as applicable in the applicable Final Terms.

"**Extension Notice**" means a notice from the Calculation Agent to the Issuer on or prior to the Scheduled Maturity Date (or, if later, the second Business Day following the Scheduled Maturity Notice Date) giving notice of the following in relation to a Reference Entity:

(a) without prejudice to sub-paragraphs (c) and (d) below, that a Credit Event has occurred or may occur on or prior to the Scheduled Maturity Notice Date (notwithstanding the fact that a Credit Event Notice may have not yet been delivered); or

(b) without prejudice to sub-paragraph (c) and (d) below, that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the longest Notice Delivery Period, but a related DC No Credit Event Announcement, DC Credit Event Question Dismissal or DC Credit Event Announcement has not yet occurred; or

(c) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Maturity Notice Date; or

(d) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Maturity Notice Date. For the purposes of this sub-paragraph (d), the giving of a Repudiation/Moratorium Extension Notice on or prior to the Scheduled Maturity Notice Date shall be deemed to satisfy the requirement to give notice under this definition of "Extension Notice". However, the giving of an Extension Notice in accordance with this sub-paragraph (d) shall not in any way preclude the subsequent giving of a Repudiation/Moratorium Extension Notice so long as the Repudiation/Moratorium Extension Condition is satisfied.

"**Failure to Pay**" means after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

If "Credit Deterioration Requirement" applies then, notwithstanding the foregoing, it shall not constitute a Failure to Pay if such failure does not directly or indirectly either result from, or result in, a deterioration in the creditworthiness or financial condition of the Reference Entity.

Where: "Credit Deterioration Requirement" applies if, in respect of the Transaction Type specified in the applicable Final Terms, the Physical Settlement Matrix specifies that Credit Deterioration Requirement applies to such Transaction Type.

"**Fallback Settlement Event**" means any of the following:

(a) an Auction Cancellation Date or, in the case of a M(M)R Restructuring Credit Event in respect of which the Movement Option was exercised on or prior to the Movement Option Cut-off Date, a Parallel Auction Cancellation Date occurs;

(b) a No Auction Announcement Date occurs and in circumstances where such No Auction Announcement Date occurs pursuant to sub-paragraphs (b) or (c)(ii) of the definition of "No Auction Announcement Date", a Notice to Exercise Movement Option has not been delivered by the Issuer to the Holders on or prior to the Auction Final Price Determination Date;

(c) a DC Credit Event Question Dismissal occurs;

(d) an Event Determination Date has occurred pursuant to either sub-paragraph (a)(i) of the definition of "Event Determination Date" or sub-paragraph (a) of the definition of "Non-Standard Event Determination Date", and no Credit Event Request Resolution Date has occurred within three Business Days of such Event Determination Date; or

"**Fallback Settlement Method**" means the fallback settlement method specified (or deemed specified) in the applicable Final Terms.

"**Final Delivery Date**" has the meaning given to it in Physical Delivery Note Condition 6.

"**Final List**" has the meaning given to that term in the DC Rules.

"**Final Price**" means the price of the Reference Obligation, expressed as a percentage, determined in accordance with the Valuation Method specified in the applicable Final Terms. The Calculation Agent shall, upon written request by a Holder to the Issuer and the Calculation Agent, make available for inspection by such Holder at the specified office of the Principal Paying Agent (i) a list showing the Quotation that it receives in connection with the calculation of the Final Price and (ii) a written computation showing its calculation of the Final Price as soon as practicable after obtaining all Quotations for a Valuation Date. For the avoidance of doubt, the Issuer shall not be required to identify the Quotation Dealer, from whom the Quotations have been obtained.

"**Final Price Calculation Date**" means an Auction Final Price Determination Date or, as the case may be, the date on which the Final Price can be determined in respect of a particular Credit Event and the relevant Reference Entity.

"**Final Redemption Date**" means the later of:

(a) the CLN Maturity Date; and

(b) if an Event Determination Date has occurred, the last Settlement Date to occur.

"**Fixed Cap**" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"**Full Quotation**" means, in accordance with the Quotation Method each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount (as applicable) equal to the Quotation Amount.

"**Fully Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and 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 as a requirement for consent for purposes of this definition of "Fully Transferable Obligation". For purposes of determining whether a Deliverable Obligation satisfies the requirements of this definition of "Fully Transferable Obligation", final maturity date shall, subject to Credit Linked Note Condition 5, be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

"**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, inter-governmental or supranational body;

(c) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or all of its obligations; or

(d) any other authority which is analogous to any of the entities specified in sub-paragraphs (a) to (c) above.

"**Governmental Intervention**" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

(a) any event which would affect creditors' rights so as to cause:

(i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (x) the payment or accrual of interest, or (y) the payment of principal or premium; or

(iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;

(b) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;

(c) a mandatory cancellation, conversion or exchange; or

(d) any event which has an analogous effect to any of the events specified in sub-paragraphs (a) to (c) above.

For purposes of this definition of Governmental Intervention, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

"**Grace Period**" means:

(a) subject to sub-clause (b) and (c) below, the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;

(b) if "Grace Period Extension" is specified as applicable in the applicable Final Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Notice Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Notice Date, the Grace Period will be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified, 30 calendar days; and

(c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless "Grace Period Extension" is specified (or deemed specified) as

applicable in the applicable Final Terms, such deemed Grace Period shall expire no later than the Scheduled Maturity Notice Date.

"**Grace Period Business Day**" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is 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 applicable in the applicable Final Terms and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Notice Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If "Grace Period Extension" is not specified (or deemed specified) as applicable in the applicable Final Terms, Grace Period Extension shall not apply.

"**Guarantee**" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"**Hedge Disruption Event**" means in the opinion of the Calculation Agent any event as a result of which the Issuer and/or any of its Affiliates and/or its agents has not received or is unable to receive (for any reason, including without limitation, due to market conditions) the relevant Deliverable Obligations and/or any cash settlement amount and/or any other amount under the terms of any Hedge Transaction (or any other transaction (including without limitation, has not sourced or not been able to source, or it is not practical to source, Deliverable Obligations in an Auction in relation to the Credit Event and Reference Entity or in the market at a price less than or equal to the Auction Final Price or otherwise at the Auction Final Price) and/or funding arrangement entered into for the purpose of hedging the Issuer's obligations (whether in whole or in part) in respect of the Credit Linked Notes.

"**Hedge Disruption Obligation**" means a Deliverable Obligation included in the Entitlement which, on the Delivery Date for such Deliverable Obligation, the Calculation Agent determines in its sole and absolute discretion is impossible, illegal, impracticable or is otherwise unable to or cannot be Delivered as a result of a Hedge Disruption Event.

"**Hedge Transaction**" means any transaction or trading position entered into or held by the Issuer and/or any of its Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Credit Linked Notes.

"**Implicit Portfolio Size**" means an amount equal to the Aggregate Nominal Amount as at the Issue Date divided by the Tranche Size.

"**Incurred Loss Amount**" means, with respect to a Reference Entity and a Final Price Calculation Date, an amount calculated on such Final Price Calculation Date equal to the lesser of:

(a) the Loss Amount;

(b) the Aggregate Loss Amount (including the related Loss Amount for that Reference Entity and Final Price Calculation Date) minus the Loss Threshold Amount on such Final Price Calculation Date (following any adjustments thereto on such date), subject to a minimum of zero; and

(c) the Outstanding Principal Amount (prior to any reduction thereto in respect of that Reference Entity and Final Price Calculation Date).

"**Interest Calculation Amount**" means in respect of an Interest Payment Date, either:

(a) the Outstanding Principal Amount as at the relevant Interest Determination Date; or

(b) if "Weighted Average" is specified as the applicable "Interest Calculation Method" in the applicable Final Terms, an amount equal to the aggregate of the Outstanding

Principal Amounts determined with respect to each day during the relevant Interest Period divided by the number of days in such Interest Period.

For such purposes, the Outstanding Principal Amount shall be calculated as though the Undetermined Reference Entity Notional Amount were taken into account as a Loss Amount for the purposes of determining the Aggregate Loss Amount and, accordingly the Writedown Amount.

"**Interest Determination Date**" means, in respect of an Interest Payment Date, the second Business Day preceding such Interest Payment Date.

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

"**Largest Asset Package**" means, in respect of a Prior Deliverable Obligation or a Package Observable Bond, as the case may be, the package of Assets for which the greatest amount of principal has been or will be exchanged or converted (including by way of amendment), as determined by the Calculation Agent by reference to Eligible Information. If this cannot be determined, the Largest Asset Package will be the package of Assets with the highest immediately realisable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

"**Latest Maturity Restructured Bond or Loan**" means, in respect of a Reference Entity and a Credit Event that is a Restructuring, the Restructured Bond or Loan with the latest final maturity date.

"**Limitation Date**" means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the "**2.5-year Limitation Date**"), 5 years, 7.5 years, 10 years (the "**10-year Limitation Date**"), 12.5 years, 15 years, or 20 years, as applicable. Limitation Dates shall not be subject to adjustment unless otherwise provided in the applicable Final Terms.

"**Linear Basket CLNs**" means any Instrument identified as such in the applicable Final Terms.

"**Loss Amount**" means with respect to Tranched Portfolio CLNs, a Reference Entity and a Final Price Calculation Date, an amount calculated on that Final Price Calculation Date equal to:

(a) 100 per cent. minus either (i) the Auction Final Price or (ii) if Cash Settlement applies, the Final Price for that Reference Entity as of such Final Price Calculation Date; multiplied by

(b) the Reference Entity Notional Amount for that Reference Entity, as at the relevant Event Determination Date, subject to a minimum of zero.

"**Loss Threshold Amount**" means, with respect to Tranched Portfolio CLNs, an amount equal to the Implicit Portfolio Size multiplied by the Attachment Point.

"**Market Value**" means, with respect to a Reference Obligation on a Valuation Date:

(a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);

(b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);

(c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations;

(d) if fewer than two Full Quotations and a Weighted Average Quotation is obtained, such Weighted Average Quotation;

(e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject as provided in the definition of Quotation, an amount as determined by the Calculation Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and

(f) if two or more Full Quotations or a Weighted Average Quotation are not obtained on or prior to the tenth Business Day following the applicable Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

"**Merger Event**" means that at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Maturity Notice Date, the Issuer, the Guarantor (if applicable) or a Reference Entity (any such entity, the "**Mergor**") consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to (i) where the Mergor is the Issuer or the Guarantor, a Reference Entity or (ii) where the Mergor is a Reference Entity, the Issuer or the Guarantor, or, the Guarantor and a Reference Entity or the Issuer and a Reference Entity become Affiliates.

"**Minimum Quotation Amount**" means the amount specified as such in the applicable Final Terms (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of (a) U.S.$1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

"**M(M)R Restructuring**" means a Credit Event that is a Restructuring and in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in the applicable Final Terms.

"**Modified Eligible Transferee**" means any bank, financial institution or other entity which is regularly engaged in and established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

"**Modified Restructuring Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Notice Date.

Subject to the foregoing, in the event that the Scheduled Maturity Notice Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Notice 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 Calculation Agent to apply to the Instruments, for the purposes of determining the Auction Final Price, the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable Obligations are more limited than the Deliverable Obligations that could be specified in any Notice of Physical Settlement (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply). The Calculation Agent shall be deemed to have exercised such option if the Calculation Agent delivers an effective Notice to Exercise Movement Option to the Issuer on or prior to the Movement Option Cut-off Date. If the Calculation Agent does not deliver an effective Notice to Exercise Movement Option on or prior to the Movement Option Cut-off Date, the Fallback Settlement Method shall apply.

"**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.

"**N**" or "**Nth**" means, where the applicable Final Terms specify that "Nth-to-Default CLNs" is applicable, such number as may be specified in such Final Terms.

"**Nth-to-Default CLNs**" means any nth-to-default Credit Linked Notes (where applicable) where the Issuer purchases credit protection from the Holders in respect of two or more Reference Entities on the basis that the Instruments will be redeemed in whole following the occurrence of an Event Determination Date in respect of the Nth Reference Entity.

"**Next Currency Fixing Time**" means 4.00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective.

"**No Auction Announcement Date**" means, with respect to a Credit Event, the date 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.

"**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 Event Determination Date**" means with respect to a Credit Event and any Instruments with respect to which to which sub-paragraph (a) of the definition of Event Determination Date does not apply:

(a) if (i) subject to sub-paragraph (b) below, "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms or (ii) neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred (in each case, with respect to the Credit Event specified in the Credit Event Notice), the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period; or

(b) if (i) (x) "Calculation Agent Determination" is not specified as being applicable in the applicable Final Terms or (y) "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms but the Calculation Agent notifies the Issuer that this sub-paragraph (b) shall apply to the relevant Instruments and (ii) a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Issue Date) either:

(A) the Credit Event Resolution Request Date, if:

(1) either:

(I) "Auction Settlement" is the applicable Settlement Method; or

(II) the relevant Credit Event is an M(M)R Restructuring; and

(2) a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective on or prior to the Non-Standard Exercise Cut-off Date; or

(B) the first date on which a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is fourteen calendar days thereafter (provided, in each case, that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Issue Date)), if either:

(1) "Auction Settlement" is not the applicable Settlement Method; or

(2) "Auction Settlement" is the applicable Settlement Method and a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective on a date that is later than the relevant Non-Standard Exercise Cut-off Date;

provided that:

(I) subject to Credit Linked Note Condition 5, no Delivery Date, if applicable, or the CLN Maturity Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;

(II) if any Valuation Date or Delivery Date, as applicable, has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs, a Non-Standard Event Determination Date shall be deemed to have occurred only with respect to the portion of the outstanding principal amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and

(III) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer: (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date; (bb) unless, and to the extent that, the Partial Redemption Amount specified in any such Credit Event Notice was less than the outstanding principal amount of the Instruments in respect of the relevant Reference Entity; or (cc) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction.

"**Non-Standard Exercise Cut-off Date**" means, with respect to a Credit Event to which sub-paragraph (a) of the definition of "Event Determination Date" does not apply:

(a) if such Credit Event is not an M(M)R Restructuring, either:

(i) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;

(ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or

(iii) the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable; or

(b) if such Credit Event is an M(M)R Restructuring and:

(i) the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; or

(ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date.

"**Non-Standard Reference Obligation**" means the Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

"**Non-Transferable Instrument**" means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

"**NOPS Amendment Notice**" has the meaning given to it in Credit Linked Note Condition 5.

"**NOPS Cut-off Date**" means:

(a) subject to sub-paragraph (b) below, the later of:

(i) the thirtieth calendar day after the Event Determination Date; and

(ii) the tenth calendar day after either the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal, if any (or, if the relevant Credit Event is an M(M)R Restructuring, the tenth calendar day after the Non-Standard Exercise Cut-off Date); or

(b) if applicable Settlement Method is "Physical Settlement" (or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Physical Settlement") and:

(i) the relevant Credit Event is not an M(M)R Restructuring, the later of: (A) the date determined pursuant to sub-paragraph (a)(i) above; and (B) the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date occurring pursuant to sub-paragraphs (a) or (c)(i) of the definition of No Auction Announcement Date, as applicable; or

(ii) the relevant Credit Event is an M(M)R Restructuring, either:

(A) the later of:

(I) the date determined pursuant to sub-paragraph (a)(i) above; and

(II) the thirtieth calendar day after:

(x) a No Auction Announcement Date occurring pursuant to sub-paragraph (a) of the definition of No Auction Announcement Date, if any;

(y) a No Auction Announcement Date occurring pursuant to sub-paragraph (c)(i) of the definition of No Auction Announcement Date, if any; or

(z) the Auction Cancellation Date, if any, as applicable; or

(B) the later of the Parallel Notice of Physical Settlement Date (or, if more than one should occur, the last Parallel Notice of Physical Settlement Date), and the Relevant City Business Day immediately following the Parallel Auction Cancellation Date, if any (or, if more than one should occur, the last Parallel Auction Cancellation Date), as applicable, in circumstances where either:

(I) a No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition of No Auction Announcement Date and the Movement Option has not been exercised; or

(II) a No Auction Announcement Date occurs pursuant to sub-paragraph (c)(ii) of the definition of No Auction Announcement Date and the Movement Option has not been exercised,

provided that in the case of sub-paragraphs (a)(ii) and (b) above, the relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in sub-paragraph (a)(i) above.

"**NOPS Effective Date**" means the date on which an effective Notice of Physical Settlement or NOPS Amendment Notice, as the case may be, is delivered by the Calculation Agent to the Issuer.

"**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 applicable Final Terms, an effective Notice of Publicly Available Information, have been delivered by the Calculation Agent to the Issuer.

"**Notice Delivery Period**" means the period from and including the Issue Date to and including the date that is 15 Business Days (or such other number of days as may be specified in the applicable Final Terms) after the Extension Date.

"**Notice of Physical Settlement**" has the meaning given to it in Credit Linked Note Condition 5.

"**Notice of Publicly Available Information**" means an irrevocable notice from the Calculation Agent 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 description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified (or deemed to be specified) as applying in the applicable Final Terms and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

"**Notice to Exercise Movement Option**" means, with respect to any Instruments for which (a) an M(M)R Restructuring is applicable and (b) the Fallback Settlement Method would otherwise be applicable following the occurrence of a No Auction Announcement Date (and, in circumstances where such No Auction Announcement Date occurs pursuant to sub-paragraphs (b) or (c)(ii) of the definition thereof, the Calculation Agent has not exercised the Movement Option), an irrevocable notice from the Calculation Agent to the Issuer that (i) specifies the Parallel Auction Settlement Terms applicable with respect to the Instruments in accordance with the definition of "Movement Option" and (ii) is effective on or prior to the Movement Option Cut-off Date.

"**Notional Credit Derivative Transaction**" means, with respect to any Credit Linked Note, a hypothetical market standard credit default swap transaction entered into by the Issuer, as Buyer (as defined in the Credit Derivatives Definitions), incorporating the terms of the Credit Derivatives Definitions and under the terms of which (a) the "Trade Date" is the Trade Date; (b) the "Scheduled Termination Date" is the Scheduled Maturity Notice Date; (c) the "Reference Entity" thereunder is the Reference Entity for the purposes of such Instrument; (d) the "Reference Obligation" thereunder is the Reference Obligation for the purposes of such Instrument; and (e) the "Transaction Type" thereunder is the Transaction Type for the purposes of such Instrument.

"**Obligation**" means:

(a) any obligation of a Reference Entity (either directly, as a provider of a Relevant Guarantee) determined pursuant to the method described in "Method for Determining Obligations" below (but excluding any Excluded Obligation);

(b) each Reference Obligation specified (or deemed to be specified) in the applicable Final Terms, unless specified as an Excluded Obligation; and

(c) any Additional Obligation of a Reference Entity specified as such (or deemed to be specified) in the applicable Final Terms;

(A) **Method for Determining Obligations**. For the purposes of paragraph (a) of this definition of "Obligation", the term "Obligation" may be defined as each obligation of each Reference Entity described by the Obligation Category specified in the applicable Final Terms, and having each of the Obligation Characteristics (if any) specified in the applicable Final Terms, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

(a) "**Obligation Category**" means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms, where:

(i) "**Payment**" means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money;

(ii) "**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);

(iii) "**Reference Obligation Only**" means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only;

(iv) "**Bond**" means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money;

(v) "**Loan**" means any obligation of a type included in the "Borrowed Money" Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money; and

(vi) "**Bond or Loan**" means any obligation that is either a Bond or a Loan;

(b) "**Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance as specified in the applicable Final Terms, where:

(i) "**Not Subordinated**" means an obligation that is not Subordinated to (I) the Reference Obligation or (II) the Prior Reference Obligation, if applicable.

(ii) "**Subordination**" means, with respect to an obligation (the "**Second Obligation**") and another obligation of the Reference Entity to which such obligation is being compared (the "**First Obligation**"), a contractual, trust or other similar arrangement providing that (I) upon the liquidation, dissolution, reorganisation or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (II) the holders of the Second Obligation will not be entitled to

receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. "Subordinated" will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

(iii) "**Specified Currency**" means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if Specified Currency is specified in the applicable Final Terms and no currency is so specified, any 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.

(iv) "**Not Sovereign Lender**" means any obligation that is not primarily owed to (A) a Sovereign (B) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limitation to 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".

(v) "**Not Domestic Currency**" means any obligation that is **payable** in any currency other than the Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency.

(vi) "**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 a Domestic Law.

(vii) "**Listed**" means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

(viii) "**Not Domestic Issuance**" means any obligation other than an obligation that was issued (or reissued, as the case may be) or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

(B) **Interpretation of Provisions**

(1) if either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category.

(2) if an Obligation is a Relevant Guarantee, the following will apply:

(a) For purposes of the application of the Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;

(b) For purposes of the application of the Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law";

(c) For purposes of the application of the Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated" or "Matured" and "Not Bearer"; and

(d) For purposes of the application of the Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

(3) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy a particular Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic.

"**Obligation Acceleration**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

"**Obligation Currency**" means the currency or currencies in which the Obligation is denominated.

"**Obligation Default**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

"**Original Non-Standard Reference Obligation**" means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation with respect to the Reference Entity (if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation (other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable

Obligation Characteristic) unless: (a) specified otherwise in the applicable Final Terms; or (b) the relevant Instruments constitute a Reference Obligation Only Trade.

"**Outstanding Principal Amount**" means with respect to Tranched Portfolio CLNs on any day, the Aggregate Nominal Amount as at the Issue Date minus the sum of all Writedown Amounts determined up to and including such day.

"**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 "Include Accrued Interest" is specified as applicable in the applicable Final Terms (or where neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified as applicable in the applicable Final Terms and the Calculation Agent determines that the then-current market practice is to include accrued interest), the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (A) 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 (B) 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, (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) (the amount determined in sub-paragraph (a) 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:

(A) unless otherwise specified, in accordance with the terms of the obligation in effect on either (I) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date), or (II) the 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 "Fallback Discounting" applies, then notwithstanding the foregoing, if (i) the Outstanding Principal Balance of an obligation is not reduced or discounted under sub-paragraph (B) above, (ii) that obligation is either a Bond that has an issue price less than ninety-five per cent of the principal redemption amount or a Loan where the amount advanced is less than ninety-five per cent of the principal repayment amount, and (iii) such Bond or Loan does not include provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for the applicable type of Bond or Loan as the case may be, then the Outstanding Principal Balance of such Bond or Loan shall be the lesser of (a) the Non-Contingent Amount; and (b) an amount determined by straight line interpolation between the issue price of the Bond or the amount advanced under the Loan and the principal redemption amount or principal repayment amount, as applicable.

For the purposes of determining whether the issue price of a Bond or the amount advanced under a Loan is less than ninety-five per cent of the principal redemption amount or principal repayment amount (as applicable) or, where applicable, for applying straight line interpolation:

(x) where such Bond or Loan was issued as a result of an exchange offer, the issue price or amount advanced of the new Bond or Loan resulting from the exchange shall be deemed to be equal to the aggregate Outstanding Principal Balance of the original obligation(s) that were tendered or exchanged (the "**Original Obligation(s)**") at the time of such

exchange (determined without regard to market or trading value of the Original Obligation(s)); and

(y) in the case of a Bond or Loan that is fungible with a prior debt obligation previously issued by the Reference Entity, such Bond or Loan shall be treated as having the same issue price or amount advanced as the prior debt obligation.

In circumstances where a holder would have received more than one obligation in exchange for the Original Obligation(s), the Calculation Agent will determine the allocation of the aggregate Outstanding Principal Balance of the Original Obligation(s) amongst each of the resulting obligations for the purpose of determining the issue price or amount advanced of the relevant Bond or Loan. Such allocation will take into account the interest rate, maturity, level of subordination and other terms of the obligations that resulted from the exchange and shall be made by the Calculation Agent in accordance with the methodology (if any) determined by the relevant Credit Derivatives Determinations Committee.

Where: "Fallback Discounting" applies if, in respect of the Transaction Type specified in the applicable Final Terms, the Physical Settlement Matrix specifies that Fallback Discounting applies to such Transaction Type.

"**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-paragraphs (a) or (b) of the definition thereof, in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

"**Parallel Auction**" means "Auction" as defined in the relevant Parallel Auction Settlement Terms.

"**Parallel Auction Cancellation Date**" means "Auction Cancellation Date" as defined in the relevant Parallel Auction Settlement Terms.

"**Parallel Auction Settlement Terms**" means following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms for the purposes of such Auction are the same as the Deliverable Obligation Provisions applicable to the Notional Credit Derivative Transaction and for which such Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

"**Parallel Notice of Physical Settlement Date**" means "Notice of Physical Settlement Date" as defined in the relevant Parallel Auction Settlement Terms.

"**Payment Requirement**" means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if a Payment Requirement is not specified in the applicable Final Terms, U.S.$1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

"**Permissible Deliverable Obligations**" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to the relevant Auction.

"**Permitted Contingency**" means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

(a) as a result of the application of:

(i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;

(ii) provisions implementing the Subordination of the obligation;

(iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);

(iv) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the Conditions and/or the applicable Final Terms; or

(v) 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 Conditions and/or the applicable Final 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 version of the ISDA Credit Derivatives Physical Settlement Matrix, as most recently amended or supplemented as at the Trade Date (unless otherwise specified in relation to a Reference Entity) and as published by ISDA on its website at www.isda.org (or any successor website thereto), provided that any reference therein to (a) "Confirmation" shall be deemed to be a reference to the Credit Linked Note Conditions and/or the applicable Final Terms; (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency, (c) "Section 1.32 of the Definitions" shall be deemed to be a reference to "Credit Event Notice", (d) "Section 1.33" shall be deemed to be a reference to Credit Linked Note Condition 11 and (e) "Section 8.19" shall be deemed to be a reference to "Physical Settlement Period".

"**Physical Settlement Period**" means the number of Business Days specified as such in the applicable Final Terms or, if a number of Business Days is not so specified, then, with respect to a Deliverable Obligation comprising the Entitlement, the longest number of Business Days for settlement in accordance with then-current market practice of such Deliverable Obligation, as determined by the Calculation Agent in its sole discretion provided that the Physical Settlement Period shall not be less than ten Business Days (unless otherwise notified by the Calculation Agent to the Issuer). If the Calculation Agent has notified the Issuer that the Issuer will endeavour to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be thirty Business Days.

"**Post Dismissal Additional Period**" means the period from and including the date of the DC Credit Event Question Dismissal to and including the date that is fourteen calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Issue Date)).

"**Potential Failure to Pay**" means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

"**Potential Repudiation/Moratorium**" means the occurrence of an event described in paragraph (a) of the definition of Repudiation/Moratorium.

"**Prior Deliverable Obligation**" means:

(a) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within the definition of Deliverable Obligation set out in sub-paragraphs (a) or (b) of the definition thereof, in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or

(b) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), such Reference Obligation, if any.

"**Prior Reference Obligation**" means, in circumstances where there is no Reference Obligation applicable to the Instruments, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the applicable Final Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity.

"**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) of 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 (or deemed specified) as such in the applicable Final Terms (or if no such source is specified in the applicable Final Terms, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

"**Publicly Available Information**" means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or a Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice has occurred and which:

(a) has been published in or on not less than the Specified Number of Public Sources (regardless of whether the reader or user thereof pays a fee to obtain such information);

(b) is information received from or published by (i) a Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign), or (ii) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or

(c) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in sub-paragraphs (b) or (c) 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) or (c), 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:

(i) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity; and

(ii) that such occurrence:

(A) has met the Payment Requirement or Default Requirement;

(B) is the result of exceeding any applicable Grace Period; or

(C) has met the subjective criteria specified in certain Credit Events;

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both sub-paragraphs (a) and (b) of the definition of Repudiation/Moratorium.

"**Qualifying Affiliate Guarantee**" means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of that Reference Entity.

"**Qualifying Guarantee**" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

(a) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or

(b) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:

(i) by payment;

(ii) by way of Permitted Transfer;

(iii) by operation of law;

(iv) due to the existence of a Fixed Cap; or

(v) due to:

(A) provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms; or

(B) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the applicable Final Terms.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of "Bankruptcy" 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:

(x) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and

(y) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

"**Qualifying Participation Seller**" means any participation seller that meets the requirements specified in the applicable Final Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller.

"**Quotation**" means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a Valuation Date in the manner that follows:

(a) the Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.

(b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the applicable Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day. If no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

(c) (i) if "Include Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall include accrued but unpaid interest;

(ii) if "Exclude Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall not include accrued but unpaid interest; and

(iii) if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, the Calculation Agent shall determine, based on the then-current market practice in the market of the Reference Obligation, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.

"**Quotation Amount**" means the amount specified as such in the applicable Final Terms (which may be specified by reference to an amount in a currency or by reference to a Representative Amount) or, if no amount is specified in the applicable Final Terms, the Aggregate Nominal Amount (or, in either case, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained).

"**Quotation Dealer**" means a dealer in obligations of the type of Obligation(s) for which Quotations are to be obtained including each Quotation Dealer specified in the applicable Final Terms. If no Quotation Dealers are specified in the applicable Final Terms, the Calculation Agent shall select the Quotation Dealers in its sole and absolute discretion. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Calculation Agent may substitute any other Quotation Dealer(s) for such Quotation Dealer(s). For the avoidance of doubt, the Calculation Agent and/or any of its affiliates may be selected as a Quotation Dealer.

"**Quotation Method**" means the applicable Quotation Method specified in the applicable Final Terms by reference to one of the following terms:

(a) "**Bid**" means that only bid quotations shall be requested from Quotation Dealers;

(b) "**Offer**" means that only offer quotations shall be requested from Quotation Dealers; or

(c) "**Mid-market**" means that bid and offer quotations shall be requested from Quotation Dealers and shall be averaged for the purposes of determining a relevant Quotation Dealer's quotation.

If a Quotation Method is not specified in the applicable Final Terms, Bid shall apply.

"**Reference Entity**" or "**Reference Entities**" means the reference entity or entities described as such in the applicable Final Terms or Reference Portfolio (as applicable). Any Successor to a 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 for the purposes of the relevant Instruments (provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, the Successor identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary shall not be the Reference Entity for the relevant Instruments unless the Calculation Agent notifies the Issuer that such announcement shall apply to such Instruments).

"**Reference Entity Notional Amount**" means, in respect of any Reference Entity:

(a) with respect to Linear Basket CLNs, unless otherwise specified in the applicable Final Terms, the Aggregate Nominal Amount of the Notes divided by the number of Reference Entities; or

(b) with respect to Tranched Portfolio CLNs, the Implicit Portfolio Size multiplied by the Reference Entity Weighting for such Reference Entity, subject to the Successor Provisions.

"**Reference Entity Weighting**" means, in respect of a Reference Entity, the weighting as set out in the Reference Portfolio for such Reference Entity.

"**Reference Portfolio**" means either:

(a) the portfolio of Reference Entities and related Reference Obligations as specified in the applicable Final Terms; or

(b) if a Relevant Annex is specified in the applicable Final Terms, the portfolio of Reference Entities and related Reference Obligations referred to in that annex.

"**Reference Obligation**" means, with respect to a Reference Entity, the Standard Reference Obligation, if any, unless:

(a) "Standard Reference Obligation" is specified as not applicable with respect to the Reference Entity in the applicable Final Terms, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or

(b) (i) "Standard Reference Obligation" is specified as applicable with respect to the Reference Entity (or no election is specified with respect to the Reference Entity), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified with respect to the Reference Entity in the applicable Final Terms, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

"**Reference Obligation Only Redemption Date**" means any day from and including the Substitution Event Date in respect of the event set out in sub-paragraph (a) of the definition of Substitution Event as specified in a Reference Obligation Only Redemption Notice.

"**Reference Obligation Only Trade**" will be applicable with respect to the Instruments if (a) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation Category in the applicable Final Terms and (b) "Standard Reference Obligation" is specified as not applicable in the applicable Final Terms.

Notwithstanding the definition of Substitute Reference Obligation: (i) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Trade and (ii) if the events set out in sub-paragraphs (b) or (c) of the definition of Substitution Event occur with respect to the Reference Obligation in a Reference Obligation Only Trade, such Reference Obligation shall continue to be the Reference Obligation.

"**Relevant City Business Days**" 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 applicable Final Terms, a Qualifying Guarantee.

"**Relevant Holder**" means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

"**Relevant Obligations**" means the Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

(a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;

(b) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made pursuant to the definition of Successor and Credit Linked Note Condition 13 (*Successors*), make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;

(c) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Instruments are a Senior Transaction, the Relevant Obligations shall only

include the Senior Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan"; and

(d) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms, and the Instruments are deemed to be a Subordinated Transaction, 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 Instruments were a Senior Transaction.

"**Replacement Deliverable Obligation**" has the meaning set out in Credit Linked Note Condition 5.

"**Replacement Reference Entity**" means an entity identified by the Calculation Agent which is the "Replacement Reference Entity" under the relevant Hedge Transaction and/or:

(a) that is in the same industry classification group as the Surviving Reference Entity as determined by the Calculation Agent with reference to the industry classification groups as published by Moody's Investors Service, Inc. or Standard & Poor's Financial Services LLC or any successors thereto or any other rating agency as the Calculation Agent shall determine;

(b) that has a bid-side credit spread (at the time the Calculation Agent identifies such entity) no greater than 110 per cent. or (as otherwise specified in the applicable Final Terms) of the relevant Surviving Reference Entity at the same time (the "Credit Spread Requirement"), in each case based on a credit default swap:

(i) on market standard terms for the relevant entity as at the time of such determination;

(ii) in respect of a floating rate payer calculation amount equal to at least 50 per cent but not more than 100 per cent. of the Calculation Amount; and

(iii) with a term equal to the period from and including the date of determination to and including the Scheduled Termination Date (the "Remaining Term"), provided that the Calculation Agent, having used reasonable endeavours, cannot obtain quotations from at least three Quotation Dealers, in respect of the Remaining Term, the term for the purposes of this paragraph (iii) shall be five years,

The bid-side credit spreads for the purpose of the Credit Spread Requirement shall be the unweighted arithmetic mean of the spread quotations obtained by the Calculation Agent from at least three Quotation Dealers, as determined by the Calculation Agent acting in good faith and a commercially reasonable manner;

(c) that is principally traded in the credit derivative market in respect of the same geographical region as the relevant Surviving Reference Entity, as determined by the Calculation Agent acting in good faith and a commercially reasonable manner; and

(d) that is not an Affiliate of any other Reference Entity under the Instruments, the Issuer or the Calculation Agent both immediately prior to and following the relevant Succession Event.

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market and at the relevant time, such amount to be determined by the Calculation Agent.

"**Repudiation/Moratorium**" means the occurrence of both of the following events:

(a) an authorised officer of the Reference Entity or a Governmental Authority:

(i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or

(ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and

(b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

"**Repudiation/Moratorium Evaluation Date**" means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Notice Date:

(a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of:

(i) the date that is 60 days after the date of such Potential Repudiation/Moratorium; and

(ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date); and

(b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium.

"**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 15 Business Days after the Scheduled Maturity Notice Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium for the purposes of the Instruments has occurred with respect to an Obligation of the Reference Entity and that such event occurred on or prior to the Scheduled Maturity Notice Date (and provided that, if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, the Repudiation/Moratorium Extension Condition shall not be satisfied unless the Calculation Agent notifies the Issuer that such announcement shall apply to the Instruments) or (b) otherwise, by the delivery by the Calculation Agent to the Issuer of (x) a Repudiation/Moratorium Extension Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the applicable Final Terms, a Notice of Publicly Available Information that are each effective on or prior to the date that is 15 Business Days after the Scheduled Maturity Notice Date; or (y) an Extension Notice giving notice of the circumstances set out in sub-paragraph (d) of the definition thereof on or prior to the Scheduled Maturity Date (or, if later, the second Business Day following the Scheduled Maturity Notice Date).

In all cases, the Repudiation/Moratorium Extension Condition will be deemed either not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity or (B) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity but that such event occurred after the Scheduled Maturity Notice Date, provided that, if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, such announcement by the DC Secretary shall be deemed not to have been made (and the Instruments shall be construed accordingly) unless the Calculation Agent notifies the Issuer that such announcement shall apply to the Instruments.

"**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 Notice Date. A Repudiation/Moratorium Extension

Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

"**Resolve**" has the meaning given to that term in the DC Rules, and "Resolved" and "Resolves" shall be construed accordingly.

"**Restructured Bond or Loan**" means an Obligation which is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"**Restructuring**"

(a) "Restructuring" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of the Obligation to bind all the holders of such Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:

(i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;

(iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or

(v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

(b) Notwithstanding the provisions of sub-paragraph (a) above, none of the following shall constitute a Restructuring:

(i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

(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)(i) to (v) above due to an administrative adjustment,

accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(iv) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of sub-paragraph (a)(v) above only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

(c) For the purposes of the definition of Restructuring and Credit Linked Note Condition 15, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in the sub-paragraph (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in sub-paragraph (b) above shall continue to refer to the Reference Entity.

(d) If an exchange has occurred, the determination as to whether one of the events described under sub-paragraphs (a)(i) to (v) has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

"**Restructuring Date**" means, with respect to a Restructured Bond or Loan, 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 Notice Date. Notwithstanding the foregoing, if the final maturity date of the Latest Maturity Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date and the Scheduled Maturity Notice 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.

"**Revised Currency Rate**" means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time, or (b) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner.

"**Scheduled Maturity Notice Date**" means the date specified as such in the applicable Final Terms or if no date is so specified, the Scheduled Maturity Date.

"**Senior Obligation**" means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Senior Transaction**" means a series of Instruments for which (a) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (b) there is no Reference Obligation or Prior Reference Obligation.

"**Seniority Level**" means, with respect to an obligation of the Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in the applicable Final Terms, or (b) if no such seniority level is specified in the applicable Final Terms, "Senior Level" if the Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) "Senior Level".

"**Settlement Currency**" means the currency specified as such in the applicable Final Terms, or if no currency is specified in the applicable Final Terms, the Specified Currency of the Credit Linked Notes.

"**Settlement Date**" means, in relation to Tranched Portfolio CLNs, the date that is five Business Days after each relevant Final Price Calculation Date.

"**Settlement Method**" means the settlement method specified (or deemed specified) in the applicable Final Terms.

"**Solvency Capital Provisions**" means any terms in an obligation which permit the Reference Entity's payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

"**Sovereign**" means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including without limiting the foregoing, the central bank) thereof.

"**Sovereign Restructured Deliverable Obligation**" means an Obligation of a Reference Entity which is a Sovereign (either directly or as a provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice or DC Credit Event Announcement has occurred and (b) which fell within the definition of a Deliverable Obligation set out in sub-paragraph (a) of the definition thereof immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Sovereign Succession Event**" means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

"**Specified Number**" means the number of Public Source(s) specified in the applicable Final Terms, or if no number is specified in the applicable Final Terms, two, provided that where "Calculation Agent Determination" is specified as applicable in the applicable Final Terms, the "Specified Number" shall be one.

"**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.

If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) and there shall be no Reference Obligation unless and until such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of the Reference Entity shall constitute the Reference Obligation.

"**Standard Specified Currencies**" 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).

"**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 Transaction**" means a series of Instruments for which the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation.

"**Substitute Reference Obligation**" means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that will replace the Non-Standard Reference Obligation, determined by the Calculation Agent as follows:

(a) The Calculation Agent shall identify the Substitute Reference Obligation in accordance with sub-paragraphs (c), (d) and (e) below to replace the Non-Standard Reference Obligation; provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.

(b) If any of the events set forth under sub-paragraphs (a) or (c) of the definition of Substitution Event have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic and sub-paragraph (c)(ii) below). If the event set forth in sub-paragraph (b) of the definition of Substitution Event has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under sub-paragraphs (i) or (iii) of the definition of Substitution Event occur with respect to such Non-Standard Reference Obligation.

(c) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:

(i) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);

(ii) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and

(iii) (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:

(I) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available,

(II) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation;

(B) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:

(I) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(II) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available,

(III) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or

(C) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:

(I) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(II) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(III) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available,

(IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation.

(d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (c) above, the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer under the Instruments, as determined by the Calculation Agent. The Calculation Agent will notify the Issuer of the Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with sub-paragraph (c) above and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.

(e) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation, then, subject to sub-paragraph (a) above and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with sub-paragraph (b) above, the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation.

"**Substitute Reference Obligation Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve a Substitute Reference Obligation to the Non-Standard Reference Obligation, 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.

"**Substitution Date**" means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Issuer of the Substitute Reference Obligation that it has identified in accordance with the definition of Substitute Reference Obligation.

"**Substitution Event**" means, with respect to the 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 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).

"**Successor**" means:

(a) subject to sub-paragraph (c) below, the entity or entities, if any, determined as follows:

(i) subject to sub-paragraph (a)(vii), if one entity succeeds, either directly or as provider of a Relevant Guarantee, to 75 per cent. or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;

(ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent. of the Relevant Obligations will be the sole Successor;

(iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than 25 per cent. of the Relevant Obligations will each be a Successor, and the Credit Linked Notes will be divided in accordance with Credit Linked Note Condition 13;

(iv) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor, and the Credit Linked Notes will be divided in accordance with Credit Linked Note Condition 13;

(v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the 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 the such succession;

(vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor and the Credit Linked Notes will be divided in accordance with Credit Linked Note Condition 13); 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 (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor.

(b) The Calculation Agent will be responsible for determining, as soon as reasonably practicable it becomes aware thereof and, in each case, with effect from the Succession Date, any Successor or Successors under sub-paragraph (a) above; provided that if

"Calculation Agent Determination" is not specified as being applicable in the applicable Final Terms, the Calculation Agent will not make such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

Notwithstanding sub-paragraph (a) above, where "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, the Successor shall be either (as selected by the Calculation Agent in its sole discretion) (A) the current obligor in respect of the Reference Obligation, (B) the successor(s) determined in accordance with sub-paragraph (a) above, as applicable, or (C) any successor(s) identified by the relevant Credit Derivatives Determinations Committee pursuant to a DC Resolution if the Calculation Agent notifies the Issuer that a DC Resolution in relation to a Reference Entity and a succession shall apply.

The Calculation Agent will make all calculations and determinations required to be made under this provision on the basis of Eligible Information and will notify the Issuer of any such calculation or determination as soon as practicable.

In calculating the percentages used to determine whether an entity qualifies as a Successor, 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.

(c) An entity may only be a Successor if:

(i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;

(ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and

(iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

(d) For the purposes of this definition of Successor, "**succeed**" means, with respect to a Reference Entity and its Relevant Obligations, that an entity other than such Reference Entity: (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement); or (ii) issues Bonds or incurs Loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of this definition of Successor, "succeeded" and "succession" shall be construed accordingly.

(e) In the case of an exchange offer, the determination required pursuant to sub-paragraph (a) above 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.

(f) If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**") either directly or as a provider of a Relevant Guarantee, then (i) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by

the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

(g) Where:

(A) a Reference Obligation with respect to a Reference Entity is specified in the applicable Final Terms; and

(B) one or more Successors to the Reference Entity have been identified; and

(C) any one or more such Successors have not assumed the Reference Obligation,

a Substitute Reference Obligation will be determined in accordance with the definition of "Substitute Reference Obligation".

"**Successor Backstop Date**" means for purposes of any Successor determination determined by DC Resolution, the date that is ninety calendar days prior to the Successor Resolution Request Date or otherwise, the date that is ninety calendar days prior to the earlier of (i) the date on which the Successor Notice is effective and (ii) in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Successor Notice is delivered by the Calculation Agent to the Issuer not more than fourteen calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**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 has been determined by the Calculation Agent. A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be made pursuant to 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.

"**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.

"**Trade Date**" means the date specified as such in the applicable Final Terms.

"**Tranche Size**" means in respect of Tranched Portfolio CLNs, the Exhaustion Point minus the Attachment Point.

"**Tranched Portfolio CLNs**" means any Instrument identified as such in the applicable Final Terms.

"**Transaction Auction Settlement Terms**" means either:

(a) (if the relevant Credit Event is not a Restructuring) the Credit Derivatives Auction Settlement Terms; and

(b) (if the relevant Credit Event is a Restructuring), the Credit Derivatives Auction Settlement Terms for which the Notional Credit Derivative Transaction would be an Auction Covered Transaction.

If multiple Transaction Auction Settlement Terms are published in relation to Senior Obligations and Subordinated Obligations of the Reference Entity, the Calculation Agent shall select the Transaction Auction Settlement Terms which are relevant for the purposes of the Notes.

"**Transaction Type**" means in respect of a Reference Entity, the transaction type specified in respect of such Reference Entity in the applicable Final Terms corresponding to the "Transaction Type" specified as such in the Physical Settlement Matrix.

"**Undeliverable Obligation**" means a Deliverable Obligation included in the Entitlement which, on the Final Delivery Date for such Deliverable Obligation, the Calculation Agent determines (in its sole discretion) for any reason (including without limitation, failure of the relevant clearance system or due to any law, regulation, court order, contractual restrictions, statutory restrictions, a Hedge Disruption Event or market conditions or the non-receipt of any requisite consents with respect to the Delivery of Loans) it is either:

(a) impossible, illegal, impracticable or is otherwise unable to Deliver for any reason on the Final Delivery Date; or

(b) unable or impracticable to Deliver on the Final Delivery Date because (i) the relevant Holder(s) has not taken any action that is deemed necessary by the Calculation Agent (acting in its sole discretion) to enable the Issuer to Deliver and/or for the Holder(s) to take delivery of all or a portion of the Deliverable Obligations; or (ii) the Holder(s) has failed to provide know-your-customer information, sign and deliver relevant transfer documentation and/or confidentiality agreement, pay a fee to the agent to effect the transfer and/or provide any other information or documentation or make any other payment (including any taxes) as is specified under the terms of the relevant Deliverable Obligations or as is customary to provide in respect of such Deliverable Obligations, each as may be required pursuant to the definition of "Deliver" herein.

Where Asset Package Delivery applies the Issuer may (but is not obliged to) Deliver any Asset comprising the Asset Package and any Asset which is not Delivered shall constitute an "Undeliverable Obligation" for the purposes of this definition.

"**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.

"**Undetermined Reference Entity**" means in respect of Tranched Portfolio CLNs each Reference Entity in respect of which:

(a) an Event Determination Date has occurred but in respect of which the Final Price Calculation Date has not occurred; or

(b) the Calculation Agent has determined that a Potential Failure to Pay, Potential Repudiation/Moratorium or a potential Credit Event (including without limitation, a Credit Event Resolution Request Date in respect of which a DC Announcement (as defined in Credit Linked Note Condition 7) has not occurred) as determined by the Calculation Agent in its sole discretion, has occurred or may occur on or prior to the next Interest Payment Date,

(any such Event Determination Date or date of such determination by the Calculation Agent, the "**Undetermined Reference Entity Date**").

"**Undetermined Reference Entity Notional Amount**" means on any day, the aggregate of the Reference Entity Notional Amounts for all Undetermined Reference Entities on such day.

"**Unsettled Event Determination Interest Period**" means an Interest Period during which one or more Undetermined Reference Entity Date(s) have occurred, where after such Interest Period,

the Calculation Agent determines in respect of such Undetermined Reference Entity Date(s) that no Event Determination Date has occurred or, as the case may be, the Final Price Calculation Date has occurred.

"**Unwind Costs**" means the amount specified in the applicable Final Terms or if "Standard Unwind Costs" are specified in the applicable Final Terms, an amount determined by the Calculation Agent in its sole discretion equal to the sum of (without duplication) all costs, expenses (including, without limitation, loss of funding and break funding charges and fees), tax and duties incurred by the Issuer and/or any of its Affiliates and/or agents in connection with the redemption or cancellation, as applicable, of the Instruments and the related termination, settlement or re-establishment of any hedge or related trading position (and any cost incurred by the Issuer and/or any of its Affiliates and/or agents in sourcing the Deliverable Obligations delivered if the Issuer is unable to do so by way of a transaction entered into pursuant to the relevant Auction and to the extent that the same exceeds the Auction Final Price (if any) determined in relation to the relevant Reference Entity) (or which would have been so incurred had the Issuer and/or its Affiliates entered into and/or elected to unwind one or more such transactions, positions or arrangements), such amount to be apportioned *pro rata* amongst each nominal amount of Credit Linked Notes equal to the Calculation Amount set out in the applicable Final Terms.

"**Valuation Date**" means (i) where Physical Settlement is specified as applying in the applicable Final Terms, the day falling five Business Days after the Final Delivery Date, or (ii) where Cash Settlement is specified as applying in the applicable Final Terms, if "Single Valuation Date" is specified in the applicable Final Terms, the date that is the number of Business Days specified in the applicable Final Terms after the Event Determination Date or, if the number of Business Days is not so specified, any day falling on or before the 122nd Business Day after the Event Determination Date or (following any Auction Cancellation Date or No Auction Announcement Date) after such Auction Cancellation Date or No Auction Announcement Date (in each case, as selected by the Calculation Agent in its sole discretion), and if "Multiple Valuation Dates" is specified in the applicable Final Terms, each of the following dates:

(a) the date that is the number of Business Days specified in the applicable Final Terms after the Event Determination Date, Auction Cancellation Date or No Auction Announcement Date (or, if the number of Business Days is not specified, five Business Days); and

(b) each successive date that is the number of Business Days specified in the applicable Final Terms (or if the number of Business Days is not so specified, five Business Days) after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

When "Multiple Valuation Dates" is specified in the applicable Final Terms, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the applicable Final Terms (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

If neither Single Valuation Date nor Multiple Valuation Dates is specified in the applicable Final Terms, Single Valuation Date shall apply.

"**Valuation Method**":

(a) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and only one Valuation Date:

"**Market**" means the Market Value determined by the Calculation Agent with respect to the Valuation Date; or

"**Highest**" means the highest Quotation obtained by the Calculation Agent with respect to the Valuation Date.

(b) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Highest.

(c) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and more than one Valuation Date:

"**Average Market**" means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each Valuation Date; or

"**Highest**" means the highest Quotation obtained by the Calculation Agent with respect to any Valuation Date; or

"**Average Highest**" means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to each Valuation Date.

(d) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Average Highest.

(e) The following Valuation Methods may be specified in the applicable Final Terms for a Series with more than one Reference Obligation and only one Valuation Date:

"**Blended Market**" means the unweighted arithmetic mean of the Market Value for each Reference Obligation determined by the Calculation Agent with respect to the Valuation Date; or

"**Blended Highest**" means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent for each Reference Obligation with respect to the Valuation Date.

(f) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Blended Highest.

(g) The following Valuation Methods may be specified in the applicable Final Terms for a Series with more than one Reference Obligation and more than one Valuation Date:

"**Average Blended Market**" means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Market Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date; or

"**Average Blended Highest**" means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Highest Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date.

(h) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Average Blended Highest.

(i) Notwithstanding paragraphs (a) to (h) above, if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market, Average Market, Blended Market or Average Blended Market, as the case may be.

"**Valuation Time**" means the time specified as such in the applicable Final Terms or, if no time is so specified, 11.00 a.m. in the principal trading market for the Reference Obligation.

"**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.

"**Weighted Average Quotation**" means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount (but, if a Minimum Quotation Amount is specified in the applicable Final Terms, of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, quotations as

near in size as practicable to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

"**Writedown Amount**" means, with respect to a Reference Entity, the aggregate of the Incurred Loss Amounts (if any) for the related Final Price Calculation Date and any related Unwind Costs.

3. **Final Redemption of Credit Linked Notes**

Unless previously redeemed or purchased and cancelled, and subject to the immediately following paragraph and Credit Linked Note Conditions 4 to 6 below, each Credit Linked Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the CLN Maturity Date (or if no such provision is made in the applicable Final Terms at the outstanding principal amount thereof).

If Reference Obligation Only Trade is applicable with respect to the Instruments and the event set out in sub-paragraph (a) of the definition of Substitution Event occurs with respect to the Reference Obligation, the Calculation Agent may give notice (such notice a "**Reference Obligation Only Redemption Notice**") to the Issuer on any day from and including the applicable Substitution Event Date and the Issuer shall redeem each Credit Linked Note at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency (or if no such provision is made in the applicable Final Terms at the outstanding principal amount thereof) on the Reference Obligation Only Redemption Date.

4. **Cash Settlement**

Unless the Instruments have been previously redeemed or purchased and cancelled, if an Event Determination Date occurs (in the case of Nth-to-Default CLNs, in relation to the Nth Reference Entity in respect of which an Event Determination Date occurs) and the applicable Settlement Method is "Cash Settlement" (or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Cash Settlement"), the Calculation Agent shall give notice (such notice a "**Settlement Notice**") to the Issuer and the Issuer shall redeem or cancel, as applicable, all of the Instruments and pay in respect of each Instrument the Credit Event Redemption Amount on the Credit Event Redemption Date.

If an Event Determination Date occurs and the Notes are redeemed in accordance with this Credit Linked Note Condition 4, upon payment of the Credit Event Redemption Amount the Issuer shall have discharged its obligations in respect of the Instruments and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Issue Price or nominal amount of an Instrument. Any shortfall shall be borne by the Holder and no liability shall attach to the Issuer and/or the Guarantor.

5. **Physical Settlement**

Unless the Instruments have been previously redeemed or purchased and cancelled, if an Event Determination Date occurs (in the case of Nth-to-Default CLNs, in relation to the Nth Reference Entity in respect of which an Event Determination Date occurs) and the applicable Settlement Method is "Physical Settlement" (or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Physical Settlement"), the Calculation Agent shall give notice (such notice a "**Notice of Physical Settlement**") to the Issuer on or before the NOPS Cut-off Date and the Issuer shall redeem or cancel, as applicable, all of the Instruments, by Delivering (or procuring the Delivery) in respect of each Instrument the Deliverable Obligations comprising the Entitlement, subject to and in accordance with the Note Conditions and the Credit Linked Note Conditions (and in particular, Credit Linked Note Condition 9).

In the Notice of Physical Settlement, the Calculation Agent shall:

(a) specify the Deliverable Obligations comprising the Entitlement that the Issuer shall endeavour to Deliver including, if available and applicable, the CUSIP or ISIN number

(or, if such identifying number is not available or applicable, the rate and tenor) of each such Deliverable Obligation; and

(b) specify the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case, the "Outstanding Amount") and, if different, the face amount, of each such Deliverable Obligation and the aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that the Issuer shall endeavour to Deliver (the "Aggregate Outstanding Amount").

The Calculation Agent may at any time prior to any Delivery Date by delivery of a notice to the Issuer (the "**NOPS Amendment Notice**") amend the Notice of Physical Settlement and the Issuer shall endeavour to, pursuant to such NOPS Amendment Notice, Deliver to the Holders replacement Deliverable Obligations that are different from the Deliverable Obligations originally specified (each, a "**Replacement Deliverable Obligation**"). A NOPS Amendment Notice shall contain a revised detailed description of each Replacement Deliverable Obligation and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the "**Replaced Deliverable Obligation Outstanding Amount**"). The Outstanding Amount of the Replacement Deliverable Obligations specified in any NOPS Amendment Notice in aggregate with the Outstanding Amount of the Deliverable Obligations specified in the Notice of Physical Settlement or any earlier NOPS Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Delivery Date (determined without reference to any change resulting from such NOPS Amendment Notice).

Notwithstanding the foregoing, (i) the Calculation Agent may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to Issuer prior to the relevant Delivery Date; and (ii) if Asset Package Delivery is applicable, the Calculation Agent shall on the NOPS Effective Date, or as soon as reasonably practicable thereafter (but in any case, prior to the Delivery Date), notify the Issuer of the detailed description of the Asset Package, if any, that the Issuer shall endeavour to deliver in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice of correction shall not constitute a NOPS Amendment Notice.

If (i) "Physical Settlement" is specified to be the Settlement Method in the applicable Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod R" is specified as applicable in the applicable Final Terms and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice, as applicable, if such Deliverable Obligation (A) is a Fully Transferable Obligation and (B) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date, in each case, as of both the NOPS Effective Date and the Delivery Date.

If (i) "Physical Settlement" is specified to be the Settlement Method in the applicable Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod Mod R" is specified as applicable in the applicable Final Terms and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice, as applicable, if it (A) is a Conditionally Transferable Obligation and (B) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date in each case, as of both the NOPS Effective Date and the Delivery Date. Notwithstanding the foregoing, for purposes of this sub-paragraph, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier

of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

Unless otherwise specified in the applicable Final Terms, the Guaranteed Cash Settlement Amount in respect of each Credit Linked Note shall be an amount calculated in accordance with the definition of "Partial Cash Settlement Amount", provided that the Guarantor shall designate in its sole and absolute discretion which portion of the Entitlement shall be an Undeliverable Obligation, and provided that the Valuation Date, shall be the date notified as such by the Guarantor to the Issuer and the Calculation Agent.

If an Event Determination Date occurs and the Instruments are redeemed or are cancelled in accordance with this Credit Linked Note Condition 5, upon Delivery of the Deliverable Obligations comprising the Entitlement and/or payment of the Partial Cash Settlement Amount, as the case may be, the Issuer shall have discharged its obligations in respect of the Instruments and shall have no other liability or obligation whatsoever in respect thereof. The value of such Deliverable Obligations and/or the Partial Cash Settlement Amount in respect of the Instruments to be redeemed may be less than the Issue Price, nominal amount or notional amount, as applicable, of an Instrument. Any shortfall shall be borne by the Holder and no liability shall attach to the Issuer and/or the Guarantor.

6. **Auction Settlement**

Unless the Instruments have been previously redeemed or purchased and cancelled, if an Event Determination Date occurs (in the case of Nth-to-Default CLNs, in relation to the Nth Reference Entity in respect of which an Event Determination Date occurs) and the applicable Settlement Method is "Auction Settlement", the Calculation Agent shall give notice (such notice a "**Settlement Notice**") to the Issuer and the Issuer shall redeem or cancel as applicable, all of the Instruments and pay in respect of each Instrument the Auction Settlement Amount on the Auction Settlement Date unless a Fallback Settlement Event occurs (for the avoidance of doubt, in relation to the same Credit Event), in which case the Issuer shall redeem or cancel, as the case may be, the Instruments in accordance with the applicable Fallback Settlement Method.

If an Event Determination Date occurs and the Notes are redeemed or are cancelled in accordance with this Credit Linked Note Condition 6, upon payment of the Auction Settlement Amount the Issuer shall have discharged its obligations in respect of the Instruments and shall have no other liability or obligation whatsoever in respect thereof. The Auction Settlement Amount may be less than the Issue Price or nominal amount of an Instrument. Any shortfall shall be borne by the Holder and no liability shall attach to the Issuer and/or the Guarantor.

7. **Suspension of Obligations**

If a Credit Event Resolution Request Date occurs in relation to any Reference Entity, then, unless the Issuer otherwise elects by notice to the Holders, any obligation of the Issuer to redeem or cancel (as the case may be) or otherwise settle any Credit Linked Note or pay any amount of interest or Additional Amount (as the case may be) which would otherwise be due thereon shall, to the extent that it relates to such Reference Entity, be and remain suspended until (a) the occurrence of a DC Credit Event Announcement; (b) the occurrence of a DC No Credit Event Announcement; or (c) the occurrence of a DC Credit Event Question Dismissal (each of the events set out in (a), (b) or (c), a "**DC Announcement**").

Following a DC Announcement, any obligations so suspended shall resume on the second Business Day immediately following the date of such DC Announcement (with benefit being given of the full day notwithstanding when the tolling or suspension began). Any amount of interest or any Additional Amount so suspended shall, subject to Note Condition 5(E) become due and payable on the date determined by the Calculation Agent in its sole discretion provided that such date shall not be later than 20 Business Days after the date of such DC Announcement.

No interest shall accrue on any amount of interest, any Final Redemption Amount or any other payment obligation of the Issuer so suspended.

Where the applicable Final Terms specify that "Calculation Agent Determination" is applicable, this Credit Linked Note Condition 7 shall not apply to the relevant Instruments unless the Calculation Agent notifies the Issuer that this Credit Linked Note Condition 7 shall apply.

8. **Interest and Additional Amounts**

Following the delivery of an Extension Notice, in the case of interest bearing Credit Linked Notes and provided that an Event Determination Date has not occurred, the Issuer shall be obliged to pay interest calculated as provided in Note Condition 5 accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date (or, if none the Interest Commencement Date) to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the CLN Maturity Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay.

Without prejudice to Credit Linked Note Condition 7, if "Accrual of Interest upon Credit Event" or, as the case may be, "Accrual of Additional Amounts upon Credit Event" is specified as Not Applicable in the applicable Final Terms and the Calculation Agent determines that a Credit Event, a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred or may occur on or prior to an Interest Payment Date, the Calculation Agent may notify the Issuer and where the Calculation Agent delivers any such notice (a "**Postponement Notice**") to the Issuer on or prior to such Interest Payment Date (in either case, the "**Postponed Payment Date**"), any obligation of the Issuer to pay any interest amount shall be suspended for a period of 15 Business Days following such Postponed Payment Date (or, in respect of any Postponed Payment Date scheduled to fall on the Scheduled Maturity Date, up to the CLN Maturity Date (or such shorter period as the Calculation Agent may notify the Issuer) to enable the Calculation Agent to determine whether a Credit Event has occurred.

Where the Calculation Agent delivers a Postponement Notice to the Issuer, the Issuer shall give notice thereof as soon as practicable to the Holders in accordance with Note Condition 14, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any postponement of an Interest Payment Date.

If an Event Determination Date has not occurred on or prior to such 15th Business Day or CLN Maturity Date, the interest amount shall be payable on such 15th Business Day or CLN Maturity Date (for the avoidance of doubt, no interest shall accrue on any amount of interest so suspended). If an Event Determination Date has occurred on or prior to such 15th Business Day or CLN Maturity Date, then notwithstanding Note Condition 5(E)(a), each Note shall cease to bear interest from the Interest Payment Date immediately preceding the Postponed Payment Date or, if the Postponed Payment Date falls on the first Interest Payment Date, no interest shall accrue on the Notes (and Note Condition 5(E) shall be deemed to be amended accordingly).

9. **Partial Cash Settlement**

If all or a portion of the Undeliverable Obligations or Hedge Disruption Obligations comprising the Entitlement are not Delivered for whatever reason by the Final Delivery Date, the Calculation Agent shall give notice (a "**Partial Cash Settlement Notice**") to the Issuer, as applicable, and the Issuer shall pay in respect of each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, the Partial Cash Settlement Amount on the Partial Cash Settlement Date. For the avoidance of doubt, the failure by the Issuer to Deliver all or such portion of the Undeliverable Obligations comprising the Entitlement on or prior to the Final Delivery Date shall not constitute an Event of Default.

Unless otherwise specified in the applicable Final Terms, for the purposes of this Credit Linked Note Condition 9 the following terms are deemed to have the following meanings:

"**Indicative Quotation**" means, in accordance with the Quotation Method, each quotation obtained from a Quotation Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, equal to the Quotation Amount, which reflects such Quotation Dealer's reasonable assessment of the price of such Undeliverable Obligation or Hedge Disruption Obligation, as

the case may be, based on such factors as such Quotation Dealer may consider relevant, which may include historical prices and recovery rates.

"**Market Value**" means, with respect to an Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, on a Valuation Date, (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the same highest and lowest values (and, if more than one such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (b) if exactly three Full Quotations are obtained, the Full Quotations remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (e) if Indicative Quotations are specified as applying in the applicable Final Terms and exactly three Indicative Quotations are obtained, the Indicative Quotation remaining after disregarding the highest and lowest Indicative Quotations (and, if more than one such Indicative Quotations have the same highest or lowest value, then one of such highest or lowest Indicative Quotations shall be disregarded); (f) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) then, subject to paragraph (b) of the definition of "Quotation" below, an amount as determined by the Calculation Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation or, if applicable, three Indicative Quotations are obtained; and (vii) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.

"**Partial Cash Settlement Amount**" is deemed to be, for each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, an amount calculated by the Calculation Agent equal to the greater of (a) (i) the Outstanding Principal Balance, the Due and Payable Amount or the Currency Amount, as applicable, of each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, multiplied by (ii) either (A) if one or more Auctions are held by the Credit Derivatives Determinations Committee in respect of the Reference Entity, the Auction Final Price or (B) if the Calculation Agent decides (in its sole and absolute discretion), the Final Price with respect to such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, less (iii) Unwind Costs, if any (but excluding any Unwind Costs already taken into account in calculating the relevant Entitlement), and (b) zero.

"**Partial Cash Settlement Date**" is deemed to be the date falling three Business Days after the calculation of the Final Price or, as applicable, the date falling fifteen Business Days after the later of (a) the Final Delivery Date and (b) the Auction Final Price Determination Date.

"**Quotation**" means each Full Quotation, the Weighted Average Quotation and, if Indicative Quotations are specified as applying in the applicable Final Terms, each Indicative Quotation obtained and expressed as a percentage with respect to a Valuation Date in the manner that follows:

(a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations

from five or more Quotation Dealers, and, if two or more Full Quotations are not available, a Weighted Average Quotation. If two or more such Full Quotations or a Weighted Average Quotation are not available on any such Business Day and Indicative Quotations are specified as applying in the applicable Final Terms, the Calculation Agent shall attempt to obtain three Indicative Quotations from five or more Quotation Dealers.

(b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation (or, if Indicative Quotations are specified as applying in the applicable Final Terms, three Indicative Quotations) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.

(c) The Calculation Agent shall determine, based on the then-current market practice in the market of the relevant Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.

(d) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the Outstanding Principal Balance for the purposes of determining the Final Price.

"**Quotation Amount**" is deemed to be, with respect to each type or issue of Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained), as applicable, of such Undeliverable Obligation or Hedge Disruption Obligations, as the case may be. The Calculation Agent may in its sole discretion round up or down the Quotation Amount for the purposes of seeking a Quotation.

"**Quotation Method**" is deemed to be Bid.

"**Reference Obligation**" is deemed to be each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be.

"**Valuation Method**" is deemed to be Highest unless fewer than two Full Quotations are obtained or a Weighted Average Quotation applies (or, if applicable, Indicative Quotations), in which case "Valuation Method" is deemed to be Market Value.

"**Valuation Time**" is the time specified as such in the applicable Final Terms, or, if no time is so specified, 11:00 a.m. in the principal trading market for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be.

"**Weighted Average Quotation**" means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, with an Outstanding Principal Balance of as large a size as available but less than the Quotation Amount that in aggregate are approximately equal to the Quotation Amount.

10. **Redemption following a Merger Event**

If this Credit Linked Note Condition 10 is specified as applicable in the applicable Final Terms, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Holders in accordance with Note Condition 14, and redeem or cancel, as applicable, all but not less than all of the Instruments on a date selected by the Issuer and not later than 30 calendar days following the effective date of such notice at the Early Redemption Amount.

11. **Credit Event Notice after M(M)R Restructuring Credit Event**

If this Credit Linked Note Condition 11 is specified as applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in the Terms and Conditions, upon the occurrence of an M(M)R Restructuring:

(a) the Calculation Agent may deliver a Credit Event Notice in respect of an amount (the "**Partial Redemption Amount**") that is less than the principal amount outstanding of each Note immediately prior to the delivery of such Credit Event Notice. In such circumstances the Credit Linked Note Conditions and related provisions shall be deemed to apply to the Partial Redemption Amount only and each such Note shall be redeemed in part (such redeemed part being equal to the Partial Redemption Amount).

(b) For the avoidance of doubt (A) the principal amount of each such Note not so redeemed in part shall remain outstanding and interest shall accrue on the principal amount outstanding of such Note as provided in Note Condition 5 (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate), (B) the Credit Linked Note Conditions and related provisions shall apply to such principal amount outstanding of such Note in the event that subsequent Credit Event Notices are delivered in respect of the Reference Entity that was the subject of the M(M)R Restructuring Credit Event and (C) once a Credit Event Notice with respect to an M(M)R Restructuring Credit Event has been delivered in respect of a Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Reference Entity that was the subject of the M(M)R Restructuring Credit Event.

(c) If the provisions of this Credit Linked Note Condition 11 apply in respect of the Credit Linked Notes, on 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 part redemption.

12. **Multiple Holder Obligation**

If this Credit Linked Note Condition 12 is specified as applicable (or deemed to be applicable) in the applicable Final Terms, notwithstanding anything to the contrary in the definition of Restructuring and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraphs (a)(i) to (v) of the definition of "Restructuring" in Credit Linked Note Condition 2 shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

"**Multiple Holder Obligation**" means an Obligation that (a) at the time of the event which constitutes a Restructuring Credit Event, is held by more than three holders that are not Affiliates of each other and (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event, provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in (b).

13. **Successors**

(a) Where pursuant to sub-paragraph (a)(iii), (iv) or (vi) of the definition of Successor, more than one Successor has been identified, the Credit Linked Notes will be equally divided into such number of notional Credit Linked Notes as there are Successors and each Successor will be the Reference Entity for the purposes of one of such Credit Linked

Notes. These Credit Linked Note Conditions shall be deemed to apply to such Credit Linked Notes and shall be construed accordingly.

(b) Where a Credit Event occurs in respect of a Reference Entity after more than one Successor has been identified, the provisions of these Credit Linked Note Conditions shall be deemed to apply to the nominal amount represented by that Reference Entity only (the "**Partial Principal Amount**") and all the provisions shall be construed accordingly. Each Instrument shall thereafter be redeemed in part (such redeemed part being equal to its *pro rata* share of the Partial Principal Amount).

(c) The Instruments shall remain outstanding in an amount equal to the outstanding principal amount of the Credit Linked Notes minus the Partial Principal Amount (such amount, the "**Remaining Amount**") and interest shall accrue on the Remaining Amount as provided for in Note Condition 5 (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate).

(d) Any determinations (including (without limitation) as to the division of the Credit Linked Notes) and any adjustment to the applicable Final Terms relating to, connected with or as a result of the identification of more than one Successor shall be made by the Calculation Agent in its sole discretion (provided that if such determinations have been made by the relevant Credit Derivatives Determinations Committee, then the Calculation Agent shall, unless (x) otherwise provided for in the applicable Final Terms or (y) "Calculation Agent Determination" is specified as applicable in the applicable Final Terms, be bound by such determinations) and, in the absence of manifest error, shall be conclusive and binding on all Holders. The applicable Final Terms may be amended and restated from time to time to reflect the effect of such determinations without the consent of the Holders and the Holders are deemed to agree to this provision by the purchase of the Instruments.

(e) In respect of Linear Basket CLNs and Tranched Portfolio CLNs, where more than one Successor has been identified in respect of a Reference Entity pursuant to sub-paragraph (a) of the definition of Successor, the Reference Entity Notional Amount of the relevant Reference Entity will be equally divided by reference to the number of Successors and each Successor will be a Reference Entity for the purposes of the Notes.

14. **Provisions taken from the ISDA supplement titled "Additional Provisions for Monoline Insurer Reference Entities" (published on September 15, 2014)**

If Credit Linked Note Condition 14 is specified as applicable in the applicable Final Terms, the following provisions will apply:

(a) **Obligation and Deliverable Obligation**. Paragraph (a) of the definition of "Obligation" in Credit Linked Note Condition 2 and paragraph (a) of the definition of "Deliverable Obligation" in Credit Linked Note Condition 2 are hereby amended by adding "or Qualifying Policy" after "or as a provider of a Relevant Guarantee".

(b) **Interpretation of Provisions**. In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, paragraph (B) (*Interpretation of Provisions*) of the definition of "Deliverable Obligation" and paragraph (B) (*Interpretation of Provisions*) of the definition of "Obligation" in Credit Linked Note Condition 2 will apply, with references to the "Relevant Guarantee", the "Underlying Obligation" and the "Underlying Obligor" deemed to include the "Qualifying Policy", the "Insured Instrument" and the "Insured Obligor", respectively, except that:

(i) the Obligation Category Borrowed Money and the Obligation Category and Deliverable Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the Deliverable Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms "obligation" and "obligors" as used in the Credit Linked Note Conditions in respect of such an Insured Instrument shall be construed accordingly;

(ii) references in the definitions of "Assignable Loan" and "Consent Required Loan" to the "guarantor" and "guaranteeing" shall be deemed to include the "insurer" and "insuring", respectively;

(iii) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of Accelerated or Matured, whether or not that characteristic is otherwise specified as applicable in the applicable Final Terms;

(iv) if the Assignable Loan, Consent Required Loan, Direct Loan Participation or Transferable Deliverable Obligation Characteristics are specified in the applicable Final Terms and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument;

(v) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "maturity", as such term is used in the Maximum Maturity Deliverable Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur; and

(vi) with respect to a Qualifying Policy and an Insured Instrument, only the Qualifying Policy must satisfy on the relevant date or dates the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, if applicable.

(c) **Outstanding Principal Balance**. References in sub-paragraph (a) of the definition of "Outstanding Principal Balance" in Credit Linked Note Condition 2 to a Guarantee, the Underlying Obligation and the Underlying Obligor shall be deemed to include a Qualifying Policy, the Insured Instrument and the Insured Obligor respectively. Any provisions of an Insured Instrument limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument shall be disregarded for the purposes of sub-paragraph (b) of the definition of "Outstanding Principal Balance" in Credit Linked Note Condition 2 provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction.

(d) **Deliver**. For the purposes of the definition of "Deliver" in Credit Linked Note Condition 2, "Deliver" with respect to an obligation that is a Qualifying Policy means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and "Delivery" and "Delivered" will be construed accordingly.

(e) **Provisions for Determining a Successor**. Sub-paragraphs (a), (d) and (f) of the definition of "Successor" in Credit Linked Note Condition 2 are hereby amended by adding "or Qualifying Policy" after each occurrence of "a Relevant Guarantee". Sub-paragraph (f) of the definition of "Successor" in Credit Linked Note Condition 2 is hereby amended by adding "or provider of a Qualifying Policy" after "as guarantor or guarantors".

(f) **Original Non-Standard Reference Obligation, Substitute Reference Obligation and Substitution Event**. The definition of "Original Non-Standard Reference Obligation", sub-paragraph (c)(i) of the definition of "Substitute Reference Obligation" and sub-paragraph (c) of the definition of "Substitution Event" in Credit Linked Note Condition 2 are hereby amended by adding "or Qualifying Policy" after "a guarantee".

(g) **Restructuring**

(i) With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto, sub-paragraphs (a)(i) to (v) inclusive of the definition of "Restructuring" in Credit Linked Note Condition 2 are hereby amended to read as follows:

"(i) a reduction in the rate or amount or the Instrument Payments in clause (A)(x) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);

(ii) a reduction in the amount of the Instrument Payments described in clause (A)(y) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (x) the payment or accrual of the Instrument Payments described in clause (A)(x) of the definition thereof or (y) the payment of the Instrument Payments described in clause (A)(y) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;

(iv) a change in the ranking in priority of payment of (x) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (y) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, Subordination will be deemed to include any such change that results in a lower ranking under a priority of payments provision applicable to the relevant Instrument Payments; or

(v) any change in the currency of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom 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)."

(ii) Sub-paragraph (b)(iv) of the definition of "Restructuring" in Credit Linked Note Condition 2 is hereby amended by adding "or, in the case of a Qualifying Policy and an Insured Instrument, where (A) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that such Instrument Payments would be made prior to such event and (B) such event is not a change in the ranking in the priority of payment of the Qualifying Policy" at the end thereof.

(iii) The definition of "Restructuring" in Credit Linked Note Condition 2 is hereby amended by the insertion of the following paragraph after the final paragraph thereof:

"For purposes of the definition of "Restructuring" in Credit Linked Note Condition 2 and if Credit Linked Note Condition 14 is specified as applying in the applicable Final Terms, for the purposes of the Credit Linked Note Conditions the term Obligation shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the Reference Entity in sub-paragraph (a) above shall be deemed to refer to the Insured Obligor and the reference to the Reference Entity in sub-paragraph (b) above shall continue to refer to the Reference Entity."

(h) **Fully Transferable Obligation and Conditionally Transferable Obligation**. In the event that a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant definition. References in the definition of "Conditionally Transferable Obligation" to the "guarantor" and "guaranteeing" shall be deemed to include the "insurer" and "insuring" respectively. With respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "final maturity date", as such term is used in Credit Linked Note Condition 5 and the definition of "Restructuring Maturity Limitation Date", shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

(i) **Other Provisions**. For purposes of the definitions of "Credit Event" and "Deliver" in Credit Linked Note Condition 2, references to the "Underlying Obligation" and the "Underlying Obligor" shall be deemed to include "Insured Instruments" and the "Insured Obligor" respectively.

(j) **Additional Definitions**.

"**Qualifying Policy**" means a financial guaranty insurance policy or similar financial guarantee pursuant to which a Reference Entity irrevocably guarantees or insures all Instrument Payments of an instrument that constitutes Borrowed Money (modified as set forth in this Credit Linked Note Condition 14) (the "**Insured Instrument**") for which another party (including a special purpose entity or trust) is the obligor (the "**Insured Obligor**"). Qualifying Policies shall exclude any arrangement (i) structured as a surety bond, letter of credit or equivalent legal arrangement or (ii) pursuant to the express contractual terms of which the payment obligations of the Reference Entity can be discharged or reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than the payment of Instrument Payments);

"**Instrument Payments**" means (i) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (x) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (y) the ultimate distribution of the Certificate Balance on or prior to a specified date and (ii) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (i) and (ii) (A) determined without regard to limited recourse or reduction provisions of the type described in Credit Linked Note Condition 14(c) above and (B) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

"**Certificate Balance**" means, in the case of an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, the unit principal balance, certificate balance or similar measure of unreimbursed principal investment.

15. **Provisions taken from the ISDA supplement titled "Additional Provisions for LPN Reference Entities" (published on September 15, 2014)**

If Credit Linked Note Condition 15 is specified as applicable in the applicable Final Terms, notwithstanding anything to the contrary in the Credit Linked Note Conditions, the following provisions will apply:

(a) provisions relating to Multiple Holder Obligation will be deemed to be Not Applicable with respect to any Reference Obligation (and any Underlying Loan);

(b) each Reference Obligation will be an Obligation, notwithstanding anything to the contrary in the Credit Linked Note 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 Credit Linked Note Conditions including and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity.

For the avoidance of doubt with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the Outstanding Principal Balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation.

The Not Subordinated Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity;

(d) the definition of "Reference Obligation" shall be deleted and the following substituted therefor:

"**Reference Obligation**" means, as of the Trade Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the applicable Final Terms and set forth on the relevant LPN Reference Obligations List (each a "**Markit Published LPN Reference Obligation**"), as published by Markit Group Limited, or any successor thereto, which list is as of the Trade Date available at http://www.markit.com/marketing/services.php, any Additional LPN determined in accordance with sub-paragraph (e) below, and each Additional Obligation. Each Reference Obligation determined in accordance with the foregoing will be a Reference Obligation notwithstanding anything to the contrary in the Credit Linked Notes 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 the definition of "Original Non-Standard Reference Obligation" shall not apply.

It is intended that there may be more than one Reference Obligation, as a result of which all applicable references in the Credit Linked Notes Conditions to "the Reference Obligation" shall be construed as a reference to "a Reference Obligation", and all other provisions of the Credit Linked Note Conditions shall be construed accordingly.

The provisions set forth in the definitions of "Substitute Reference Obligation" and "Substitution Event" shall not be applicable to LPN Reference Obligations; and

(e) the following additional definitions shall apply:

"**Additional LPN**" means any bond issued in the form of a loan participation note (a "**LPN**") by an entity (the "**LPN Issuer**") for the sole purpose of providing funds for the LPN Issuer to (a) finance a loan to the Reference Entity (the "**Underlying Loan**") or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the "**Underlying Finance Instrument**"), provided that (i) either (x) in the event that there is an Underlying Loan with respect to such LPN the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity or (y) in the event that there is an Underlying Finance Instrument with respect to such LPN the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics; (ii) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs.

"**Additional Obligation**" means each of the obligations listed as an Additional Obligation of the Reference Entity in the applicable Final Terms or set forth on the relevant LPN Reference Obligations List, 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/marketing/services.php.

"**First Ranking Interest**" means a charge, security interest (or other type of interest having similar effect) (an "**Interest**"), which is expressed as being "first ranking", "first priority", or similar ("**First Ranking**") in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any related insolvency jurisdiction of the LPN Issuer).

"**LPN Reference Obligation**" means each Reference Obligation other than any Additional Obligation.

For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation constituting a Reference Obligation.

Each LPN Reference Obligation is issued for the sole purpose of providing funds for the Issuer to finance a loan to the Reference Entity. For the purposes of the Credit Linked Note Conditions each such loan shall be an Underlying Loan.

16. **Deliverable Obligations Portfolio Valuation**

If Credit Linked Note Condition 16 is specified as applicable in the applicable Final Terms:

(a) notwithstanding anything to the contrary in the Credit Linked Note Conditions, "Reference Obligation" shall mean:

(i) any obligation of a Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in sub-paragraph (A) (Method for Determining "Deliverable Obligations") in the definition of "Deliverable Obligation" above;

(ii) each Benchmark Obligation specified in the applicable Final Terms; and

(iii) any Substitute Benchmark Obligation,

as selected by the Calculation Agent in its sole and absolute discretion and notified to the Issuer (a "**Reference Obligation Notification**") on or prior to the relevant Valuation Date.

In each case the Reference Obligation Notification shall describe the selected Reference Obligation in reasonable detail and shall specify the title or designation, maturity date and coupon rate. The Calculation Agent may at any time after delivering a Reference Obligation Notification but prior to the Valuation Time on the Valuation Date deliver a further Reference Obligation Notification which shall replace all prior Reference Obligation Notifications in relation to any additional or replacement Reference Obligation specified therein.

For the avoidance of doubt the Calculation Agent shall be entitled to select any of the Reference Obligations for the purposes of calculating the Final Price irrespective of their market value and, provided that (in the case of Credit Linked Note Condition 16(a)(i) only) the selected obligation(s) satisfy the Deliverable Obligation Category and Deliverable Obligation Characteristics on the date of selection, such obligation(s) may constitute the Reference Obligation for the purposes hereof notwithstanding that this is not the case subsequent to such date. For the avoidance of doubt, the Deliverable Obligation Category and Deliverable Obligation Characteristics shall not apply in respect of any Benchmark Obligation or Substitute Benchmark Obligation.

(b) The definition of "Substitute Reference Obligation" in Credit Linked Note Condition 2 shall be amended so that each reference to "Substitute Reference Obligation" and "Non-Standard Reference Obligation" is replaced by reference to a "Substitute Benchmark Obligation" and a "Benchmark Obligation" respectively, provided that once a

Benchmark Obligation has been specified as a Reference Obligation the definition of "Substitute Reference Obligation" shall not apply with respect to such Benchmark Obligation.

(c) Sub-paragraph (b)(i) of "Method for Determining Obligations" in the definition of "Obligation" in Credit Linked Note Condition 2 shall be deleted and the following substituted therefor:

"**Not Subordinated**" means an obligation that is not Subordinated to (i) the most senior Benchmark Obligation in priority of payment or (ii) if no Benchmark Obligation is specified in the applicable Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity. For purposes of determining whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, the ranking in priority of payment of each Benchmark Obligation shall be determined as of the later of (A) the Trade Date specified in the applicable Final Terms and (B) the date on which such Benchmark Obligation was issued or incurred and shall not reflect any change to such ranking in priority of payment after such later date.

(d) For purposes of the Credit Linked Note Conditions:

(i) each reference in the Credit Linked Note Conditions to "a Deliverable Obligation" and "the Deliverable Obligation" shall be deemed to be a reference to "a Reference Obligation" and "the Reference Obligation" respectively; and

(ii) each reference in the Credit Linked Note Conditions to "a Delivery Date" and "the Delivery Date" shall be deemed to be a reference to the date of selection of the relevant Reference Obligation.

(e) For the avoidance of doubt, if Credit Linked Note Condition 16 is specified as applicable in the applicable Final Terms Credit Linked Note Condition 5 is not applicable and the Instruments shall, following the occurrence of an Event Determination Date, be settled in accordance with Credit Linked Note Condition 4, and these Credit Linked Notes Conditions shall be construed accordingly.

(f) If the Calculation Agent selects more than one Reference Obligation, such Reference Obligations shall have an Outstanding Principal Balance or Due and Payable Amount (or the equivalent Currency Amount of any such amount) that, in aggregate, shall not exceed the Reference Entity Notional Amount in respect of the relevant Reference Entity.

(g) With respect to a Reference Entity and the related Final Price Calculation Date, the "Final Price" shall be the weighted average of the Final Prices determined for each Reference Obligation in respect of the relevant Reference Entity, weighted by reference to the Reference Portfolio of each such Reference Obligation.

(h) For the purposes of Credit Linked Note Condition 16(a)(ii), Benchmark Obligation means each Reference Obligation specified in respect of the relevant Reference Entity, unless otherwise specified in the applicable Final Terms.

17. Nth-to-Default CLNs

Where the Instruments are Nth-to-Default CLNs:

(a) where a succession has occurred in respect of a Reference Entity (other than a Reference Entity in respect of which an Event Determination Date has occurred) and more than one Successor has been identified, the applicable Instruments will be equally divided into a number of notional Credit Linked Notes as there are Successors. Each such notional Credit Linked Notes shall include a Successor and each and every one of the Reference Entities unaffected by such succession shall apply thereto;

(b) if "Substitution" is specified as not being applicable in the applicable Final Terms, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity

that is subject to a succession) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a succession, such Surviving Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity; and

(c) if "Substitution" is specified as being applicable in the applicable Final Terms, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to a succession) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a succession:

(i) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and

(ii) the Replacement Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity.

18. **Linear Basket CLNs**

Where the Notes are Linear Basket CLNs, then the provisions of these Credit Linked Note Conditions relating to redemption of Credit Linked Notes following the occurrence of an Event Determination Date, extension of maturity of Credit Linked Notes on delivery of an Extension Notice, cessation or suspension of accrual of interest or accrual and payment of interest following the Scheduled Maturity Date shall apply separately with respect to each Reference Entity and a principal amount of each Credit Linked Note corresponding to its *pro rata* proportion of the related Reference Entity Notional Amount. The remaining provisions of these Credit Linked Note Conditions shall be construed accordingly.

Accordingly:

(a) the Calculation Amount of each Note shall be reduced with effect from the occurrence of an Event Determination Date by a *pro rata* proportion of the Reference Entity Notional Amount or, as applicable, the Partial Redemption Amount;

(b) following the occurrence of an Event Determination Date in respect of any Reference Entity, the Notes shall be partially redeemed and the Noteholders shall receive an amount equal to a Credit Event Redemption Amount (if Credit Linked Note Condition 4 applies) or an Auction Settlement Amount (if Credit Linked Note Condition 6 applies) or shall be entitled to receive an Entitlement, or, as appropriate, Partial Cash Settlement Amount (if Credit Linked Note Condition 5 applies), in each case calculated in respect of the Reference Entity as though references to the Calculation Amount in such definitions were references to such amount divided by the number of Reference Entities as at the relevant Event Determination Date;

(c) the definition of "**CLN Maturity Date**" shall operate separately in respect of each Reference Entity and a portion of the Calculation Amount of each Note corresponding to a *pro rata* proportion of the related Reference Entity Notional Amount, or, as applicable, the Partial Redemption Amount; and

(d) the provisions of Credit Linked Note Condition 8 shall apply separately in respect of each Reference Entity and a portion of the Calculation Amount of each Note corresponding to a *pro rata* proportion of the related Reference Entity Notional Amount or, as applicable, the related Reference Entity Notional Amount.

19. **Tranched Portfolio CLNs**

Where the Instruments are Tranched Portfolio CLNs:

(a) The interest amount payable per Calculation Amount on each Interest Payment Date in respect of each Note and each Interest Period shall be a *pro rata* proportion per Calculation Amount of an amount determined on the relevant Interest Determination Date, equal to the sum of:

(i) the product of: (A) the Interest Calculation Amount, (B) the Rate of Interest, and (C) the Day Count Fraction (and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention); and

(ii) the Deferred Coupon Adjustment Amount, if any.

(b) If the Calculation Agent determines at any time that the Undetermined Reference Entity Notional Amount on any Interest Payment Date is greater than the Undetermined Reference Entity Notional Amount on the corresponding Interest Determination Date, the Calculation Agent may in its sole discretion make any adjustment: (i) if the determination is made on or prior to such Interest Payment Date and to the extent operationally practicable, to the interest amount payable on such Interest Payment Date, or otherwise (ii) to the interest amount payable on any subsequent Interest Payment Date or, if the relevant interest amount is less than such shortfall, the Outstanding Principal Amount of the Notes, to account for such shortfall.

(c) In the event that a Credit Event occurs in respect of one of the Reference Entities within the Reference Portfolio, the amount of the Aggregate Principal Amount remaining will be reduced by the Writedown Amount (itself calculated with reference to the Loss Amount), all as set out in the definitions of the Outstanding Principal Amount, Incurred Loss Amount, Loss Amount, Writedown Amount and any other relevant definitions.

(d) Unless the Notes have been previously redeemed or purchased and cancelled, each Note will be redeemed at its Final Redemption Amount on the Final Redemption Date. Credit Linked Note Conditions 4 and 6 shall not apply.

(e) If the Outstanding Principal Amount of the Notes is reduced to zero, the Notes will thereupon be deemed to have been redeemed in full and, without prejudice to any obligations incurred due and payable on or prior to such date, the Issuer shall have no further obligations in relation to the Notes.

(f) Paragraph (b) of the definition of "CLN Maturity Date" shall apply if an Extension Notice is given in respect of any Reference Entity.

(g) If any day is a Final Price Calculation Date with respect to more than one Reference Entity, the Loss Amount, the Recovery Amount, the Incurred Loss Amount and the Incurred Recovery Amount (if applicable) with respect to each Reference Entity shall be calculated in the order of delivery of the relevant Credit Event Notices or (if applicable) the order of the relevant Credit Event Resolution Request Dates or, if any of the relevant Credit Event Notices are delivered at the same time or the Credit Event Resolution Request Dates occur at the same time, in a sequential order determined by the Calculation Agent.

(h) In relation to Tranched Portfolio CLNs where the Reference Portfolio is determined by reference to a Relevant Annex, then notwithstanding Credit Linked Note Condition 13, the Reference Portfolio from time to time (together with, in respect of each relevant Reference Entity, the elected Reference Entity weighting) shall be as determined and published from time to time by the relevant Index Sponsor, as specified in the applicable Final Terms.

20. **Provisions taken from the CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (published on 15 September 2014)**

If Credit Linked Note Condition 20 is specified as applicable in the applicable Final Terms, notwithstanding anything to the contrary in the Credit Linked Note Conditions, the following provisions will apply:

(a) The following additional definitions shall apply:

"**CoCo Provision**" means, with respect to an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or

(ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

"**CoCo Supplement**" means the CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (published on 15 September 2014).

"**Trigger Percentage**" means the trigger percentage specified in the applicable Final Terms (or if no such trigger percentage is specified, 5.25 per cent.).

"**Capital Ratio**" means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

(b) A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes under the Credit Linked Notes Conditions.

(c) If, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention falling within sub-paragraph (a) of the definition thereof.

21. **Provisions taken from the 2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (published on 15 September 2014)**

If Credit Linked Note Condition 21 is specified as applicable in respect of a Reference Entity in the applicable Final Terms, the following provision shall apply in respect of such Reference Entity for purposes of the Instruments and the Credit Linked Note Conditions:

The last paragraph of the definition of "Asset Package Credit Event" is hereby amended by the addition of the following at the end thereof: "Notwithstanding the above, it shall be deemed that no Package Observable Bond exists with respect to a Reference Entity that is a Sovereign (even if such a Package Observable Bond has been published by ISDA and accordingly, Asset Package Delivery shall not apply thereto."

22. **Provisions taken from the ISDA Supplement titled "2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations" (published on 16 September 2020)**

If Credit Linked Note Condition 22 is specified as applicable in the applicable Final Terms, the following provisions shall apply:

(a) Notwithstanding the definition of "Obligation", any obligation that is a Bond that was issued on or prior to August 31, 2020 shall be an "Excluded Obligation"; and

(b) Notwithstanding the definition of "Deliverable Obligation", any obligation that is a Bond that was issued on or prior to August 31, 2020 shall be an "Excluded Deliverable Obligation".

23. **Physical Settlement Matrix**

Where a Transaction Type is specified in the applicable Final Terms in respect of any Reference Entity, then the provisions of such Final Terms shall apply with respect to such Reference Entity in accordance with the Physical Settlement Matrix as it applies to such Transaction Type, as though such Physical Settlement Matrix were set out in full in such Final Terms. Certain additional provisions or supplements may be deemed to apply to the Credit Linked Note Conditions in respect of a Reference Entity if those provisions or supplements are specified as being applicable for the relevant Reference Entity in the Credit Derivatives Physical Settlement Matrix and the provisions of the Credit Linked Note Conditions shall be construed as if those additional provisions or supplements had been included in the Credit Linked Note Conditions with such amendments as the Calculation Agent deems necessary to give effect to those provisions.

24. **Notices to Holders**

The Issuer shall, upon receiving any of the following notices from the Calculation Agent, as soon as practicable forward a copy of such notice(s) to the Holders of the relevant Instruments:

(a) an Extension Notice;

(b) a Cancellation Notice;

(c) a Credit Event Notice;

(d) a Notice of Publicly Available Information;

(e) a Settlement Notice;

(f) a Reference Obligation Only Redemption Notice;

(g) a determination by the Calculation Agent of a Successor or a Sovereign Succession Event (including any Successor Notice);

(h) a Notice of Physical Settlement;

(i) a NOPS Amendment Notice;

(j) a Partial Cash Settlement Notice;

(k) any notification by the Calculation Agent to the Issuer that the Physical Settlement Period shall be less than ten Business Days;

(l) any notification by the Calculation Agent to the Issuer following the determination of any Loss Amount or Incurred Loss Amount;

(m) a Notice to Exercise Movement Option;

(n) a Postponement Notice;

(o) a Repudiation/Moratorium Extension Notice; and

(p) (where "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms) any notification from the Calculation Agent that it will apply a DC Resolution for the purposes of the relevant Instruments.

25. **Calculation Agent**

Any determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Credit Linked Note Conditions and related provisions shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders and shall be without liability on the part of the Calculation Agent and without the Calculation Agent being obliged to consider the interests of the Issuer, the Guarantor or the Holders. In performing its duties pursuant to the Credit Linked Note Conditions, the Calculation Agent shall act in its sole and absolute discretion. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Linked Note Conditions including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer and the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

For the avoidance of doubt, if the applicable Final Terms specify that "Calculation Agent Determination" is applicable, then notwithstanding any provision in these Credit Linked Note Conditions, the Issuer and the Calculation Agent shall not be bound to (although they may in

their sole discretion) apply any DC Resolution to the Instruments and unless the Calculation Agent notifies the Issuer that any DC Resolution shall apply to the Instruments, the Credit Linked Note Conditions and the relevant Instruments shall be construed as if the relevant DC Resolution and the relevant DC Question was not made. If the Calculation Agent notifies the Issuer that any DC Resolution shall apply to the Instruments, the Calculation Agent shall have the power to amend or otherwise adjust any provision of these Credit Linked Notes Conditions (including, without limitation any provision relating to the timing of notices hereunder) to account for the application of such DC Resolution.

26. **Change in Market Convention**

The Calculation Agent may (but shall not be obliged to), without obtaining the consent of or consulting with the Holders or any other person, from time to time and at any time in its sole and absolute discretion and in good faith, amend any provision of these Credit Linked Note Conditions or the Instruments:

(a) (including but not limited to the applicable Transaction Type, Credit Events, Deliverable Obligation Category, and Deliverable Obligation Characteristics and deliverability, Reference Obligation, Successor and other provisions) to correspond with the most recently published ISDA Credit Derivatives Definitions, ISDA Credit Derivatives Physical Settlement Matrix version, SRO List and/or prevailing trading standards applicable to a Reference Entity;

(b) to incorporate and/or reflect further or alternative documents from time to time published by ISDA with respect to credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees which the Calculation Agent determines in a commercially reasonable manner are necessary to reflect market practice for credit derivative transactions; and/or

(c) in circumstances where a Reference Entity has proposed an exchange of all or substantially all of the obligations of such Reference Entity into cash, securities and/or other assets, to reflect or account for such exchange, regardless of the credit derivatives definitions or trading standards applicable to such Reference Entity.

The applicable Final Terms may be amended and/or restated from time to time to reflect any such amendments without the consent of the Holders, and the Holders are deemed to agree to this provision by the purchase or acquisition of the Instruments.

27. **Additional Provisions**

(a) If one or more amendments or adjustments to these Credit Linked Note Conditions are required for one or more Series of credit linked Instruments, including any issue of Nth-to-Default CLNs or leveraged credit linked instruments, the applicable Final Terms shall set out such amendments or adjustments to these Credit Linked Note Conditions that are necessary in order to take account of the nature of such instruments and these Credit Linked Note Conditions shall be construed accordingly.

(b) Any term defined or described in these Credit Linked Note Conditions or the applicable Final Terms includes where that term is incorporated or included by reference to another document including (without limitation) where the applicability or otherwise of any particular provision is determined by reference to the Credit Derivatives Physical Settlement Matrix.

(c) Subject to sub-paragraph (d) below, in order to determine the day on which an event occurs for purposes of these Credit Linked Note Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

(d) Notwithstanding the definition of "Credit Event Notice" and sub-paragraph (c) above, if a payment is not made by the Reference Entity on its due date or, as the case may be, on

the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.

28. **Additional Disruption Events**

(a) Following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) give notice to Holders in accordance with Note Condition 14 and redeem all, but not less than all, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount (as specified in Part A).

(b) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Note Condition 14 stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

(c) For these purposes:

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms.

"**Change in Law**" means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant asset, hedge or related trading position or (B) the Issuer and/or any of its Affiliates or agents will incur a materially increased cost in performing the obligations of the Issuer in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity, price, credit or other risk of the Issuer issuing and performing its obligations with respect to the Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity, price, credit or other risk of the Issuer issuing and performing its obligations with respect to the Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

ANNEX 9B

ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED W&C INSTRUMENTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Credit Linked Warrants or Credit Linked Certificates shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Additional Terms and Conditions for Credit Linked Warrants and Certificates set out below (the "**Credit Linked W&C Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the W&C Instruments Conditions and the Credit Linked W&C Conditions, the Credit Linked W&C Conditions shall prevail. In the event of any inconsistency between (a) the W&C Instruments Conditions and/or the Credit Linked W&C Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Credit Linked W&C Conditions to "Instrument" and "Instruments" shall be deemed to be references to "W&C Instrument" and "W&C Instruments".

Each Credit Linked Warrant may be designated in the applicable Final Terms as (a) a "**Short Credit Linked Warrant**" or (b) a "**Long Credit Linked Warrant**". Any Credit Linked Certificate may be designated in the applicable Final Terms as (a) a "**Short Credit Linked Certificate**" or (b) a "**Long Credit Linked Certificate**". Each Short Credit Linked Warrant and Short Credit Linked Certificate is a W&C Instrument in respect of which the Holder purchases credit protection on each Reference Entity and/or Reference Obligation from the Issuer and is referred to in these Credit Linked W&C Conditions as a "**Short Credit Linked W&C Instrument**". Each Long Credit Linked Warrant and Long Credit Linked Certificate is a W&C Instrument in respect of which the Issuer purchases credit protection on each Reference Entity and/or Reference Obligation from the Holders and is referred to in these Credit Linked W&C Conditions as a "**Long Credit Linked W&C Instrument**".

2. **Definitions**

"**Aggregate Notional Amount**" means, in respect of each Series of Credit Linked Warrants or Credit Linked Certificates, as applicable, the Aggregate Notional Amount of the W&C Instruments specified in the applicable Final Terms (or, if such amount is not specified in the applicable Final Terms, the aggregate of the Notional Amount per W&C Instrument of all W&C Instruments in such Series).

"**Asset**" means each obligation, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realised or capable of being realised in circumstances where the right and/or other asset no longer exists).

"**Asset Market Value**" means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

"**Asset Package**" means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combinations of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

"**Asset Package Credit Event**" means:

(a) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms:

(i) a Governmental Intervention; or

(ii) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in the applicable Final Terms and such Restructuring does not constitute a Governmental Intervention; and

(b) if the Reference Entity is a Sovereign and "Restructuring" is specified as applicable in the applicable Final Terms, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

Asset Package Delivery will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Event Determination Date, or (ii) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event.

"**Auction**" has the meaning set forth in the Transaction Auction Settlement Terms.

"**Auction Cancellation Date**" means the date on which an Auction is deemed to be cancelled pursuant to the Transaction Auction Settlement Terms with respect to the relevant Reference Entity, or (a) in the case of Long Credit Linked W&C Instruments, if the Issuer has delivered a Notice to Exercise Movement Option to the Holders, the date on which a Parallel Auction is deemed to be cancelled pursuant to the Parallel Auction Settlement Terms identified by the Issuer in such notice or (b) in the case of Short Credit Linked W&C Instruments, where the Short Movement Option Condition is satisfied, the date on which a Parallel Auction is deemed to be cancelled pursuant to the Short Parallel Auction Settlement Terms.

"**Auction Covered Transaction**" has the meaning set forth in the Transaction Auction Settlement Terms.

"**Auction Final Price**" has the meaning given to it in the Transaction Auction Settlement Terms or (a) in the case of Long Credit Linked W&C Instruments, the Parallel Auction Settlement Terms identified by the Calculation Agent in its Notice to Exercise Movement Option (in the latter case, provided that such Notice to Exercise Movement Option has been delivered to the Issuer on or prior to the date falling 15 Business Days following the Auction Final Price Determination Date for such Parallel Auction Settlement Terms) or (b) in the case of Short Credit Linked W&C Instruments, the Short Parallel Auction Settlement Terms.

"**Auction Final Price Determination Date**" means the day, if any, on which the Auction Final Price is determined pursuant to the Transaction Auction Settlement Terms or (a) in the case of Long Credit Linked W&C Instruments, in the case of an M(M)R Restructuring, if the Calculation Agent has delivered a Notice to Exercise Movement Option to the Issuer on or prior to the Movement Option Cut-off Date, the Parallel Auction Settlement Terms identified by the Calculation Agent in such notice or (b) in the case of Short Credit Linked W&C Instruments, the Short Parallel Auction Settlement Terms, in each case with respect to the relevant Reference Entity.

"**Auction Settlement Amount**" means the amount specified as such in the applicable Final Terms or if no such amount is specified in the applicable Final Terms, an amount calculated by the Calculation Agent equal to:

(a) in the case of Long Credit Linked W&C Instruments:

$$(A \times B) - C$$

where:

"**A**" is the Notional Amount of each Certificate or Warrant;

"**B**" is the Auction Final Price; and

"**C**" is Unwind Costs; and

(b) in the case of Short Credit Linked W&C Instruments:

$$A \times (100\% - B) - C$$

where:

"**A**" is the Notional Amount of each Certificate or Warrant;

"**B**" is the Auction Final Price; and

"**C**" is Unwind Costs;

provided that in no event shall the Auction Settlement Amount be less than zero.

"**Auction Settlement Date**" means the date which is the number of Business Days specified in the applicable Final Terms after the Auction Final Price Determination Date, or if no such number of Business Days is specified in the applicable Final Terms, eight Business Days after the Auction Final Price Determination Date.

"**Bankruptcy**" means a Reference Entity:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement, 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 30 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 any analogous effect to any of the events specified in clauses (a) to (g) (inclusive).

"**Cancellation Notice**" means a notice given by the Calculation Agent to the Issuer upon making a determination in respect of a Reference Entity that:

(a) no Credit Event or (if Grace Period Extension Date is applicable) Potential Failure to Pay or (if Potential Repudiation/Moratorium is applicable) Potential Repudiation/Moratorium has occurred on or prior to the Scheduled Exercise Date;

(b) if a Potential Failure to Pay has occurred on or prior to the Scheduled Exercise Date promptly upon making a determination that no Failure to Pay has occurred with respect to the relevant obligation; or

(c) if a Potential Repudiation/Moratorium has occurred on or prior to the Scheduled Exercise Date promptly upon making a determination that no Repudiation/Moratorium has occurred with respect to the relevant obligation (such determination being made prior to the Repudiation/Moratorium Evaluation Date),

provided that, if a DC No Credit Event Announcement has occurred in respect of the relevant Reference Entity and the same event, a Cancellation Notice shall be deemed to be given by the Calculation Agent to the Issuer and the Conditions shall be construed accordingly (provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, no Cancellation Notice shall be deemed to be given unless the Calculation Agent notifies the Issuer that such DC No Credit Event Announcement shall apply to the relevant Instruments).

"**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 both the NOPS Effective Date and the Delivery Date, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Conditionally Transferable Obligation". In addition, in the case of Long Credit Linked W&C Instruments:

(a) where "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms (or where Physical Settlement is applicable as the Fallback Settlement Method pursuant to a Fallback Settlement Event), Mod Mod R is applicable (or deemed applicable) under the applicable Final Terms and a Deliverable Obligation is a Conditionally Transferable Obligation with respect to which consent is required to novated, assign or transfer, then if the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Final Delivery Date (in which case it shall be deemed to have been refused), the Issuer shall promptly notify the Holders of such refusal (or deemed refusal) and may redeem or cancel (as applicable) the Instruments in accordance with Credit Linked W&C Condition 9 as if such obligation were an Undeliverable Obligation; and

(b) for purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, the final maturity date shall, subject to Credit Linked W&C Condition 5, be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

"**Credit Cut-Off Date**" means, in the case of Long Credit Linked W&C Instruments, the day falling 10 Business Days following the delivery to the Holders of the relevant Notice of Physical Settlement or such other Credit Cut-Off Date as is specified in the applicable Final Terms.

"**Credit Derivatives Auction Settlement Terms**" means in relation to any Reference Entity, the credit derivatives auction settlement terms published by ISDA with respect to the relevant Reference Entity and the relevant Credit Event, which may be amended from time to time.

"**Credit Derivatives Definitions**" means the 2014 ISDA Credit Derivatives Definitions, as published by ISDA and, if "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)" applies, as supplemented by the 2019 Narrowly Tailored Credit Event Supplement to the 2014 ISDA Credit Derivatives Definitions (the "**2019 NTCE Supplement**"). "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15,2019)" applies if, in respect of the Transaction Type specified in the applicable Final Terms, the applicable Physical Settlement Matrix specifies that the 2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019) applies to such Transaction Type.

"**Credit Derivatives Determinations Committees**" means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions.

"**Credit Event**" means the occurrence of any one or more of the Credit Events specified in the applicable Final Terms which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring, Governmental Intervention or any additional Credit Event specified in the applicable Final Terms, as determined by the Calculation Agent.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

(a) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;

(b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;

(c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or

(d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

"**Credit Event Backstop Date**" means: (a) for purposes of any event that constitutes a Credit Event (or with respect to a Repudiation/Moratorium, if applicable, the event described in sub-paragraph (b) of the definition of "Repudiation/Moratorium"), as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date; or (b) otherwise, in the case of Long Credit Linked W&C Instruments only, 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 unless otherwise provided for in the applicable Final Terms.

"**Credit Event Notice**" means an irrevocable notice from the Notifying Party to the Issuer that describes a Credit Event that occurred on or after the Credit Event Backstop Date or (where "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms) the Credit Observation Start Date specified in the applicable Final Terms (or if none is so specified, the date falling 60 calendar days prior to the Trade Date) and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Exercise 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 Notional Amount of the Credit Linked Warrants or Credit Linked Certificates, as applicable, in respect of the relevant Reference Entity.

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 Redemption Amount**" means the amount specified as such in the applicable Final Terms or if no such amount is specified in the applicable Final Terms, an amount calculated by the Calculation Agent equal to:

(a) in the case of Long Credit Linked W&C Instruments:

$$(A \times B) - C$$

where:

"**A**" is the Notional Amount of each Certificate or Warrant;

"**B**" is the Final Price;

"**C**" is Unwind Costs; and

(b) in the case of Short Credit Linked W&C Instruments:

$$A \times (100\% - B) - C$$

where:

"**A**" is the Notional Amount of each Certificate or Warrant;

"**B**" is the Final Price; and

"**C**" is Unwind Costs;

provided that in no event shall the Credit Event Redemption Amount be less than zero.

"**Credit Event Redemption Date**" means the day falling the number of Business Days specified in the applicable Final Terms after the calculation of the Final Price, or if no such number of Business Days is specified in the applicable Final Terms, eight Business Days after the Final Price is determined.

"**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 Observation Start Date**" means the date described as such in the applicable Final Terms or if no date is so specified, the date falling 60 calendar days prior to the Trade Date.

"**Credit Settlement Date**" means the last day of the longest Physical Settlement Period following the date the Notice of Physical Settlement is delivered by the Calculation Agent to the Issuer (the "**Scheduled Credit Settlement Date**") provided that if in the determination of the Calculation Agent (acting in its sole discretion) a Hedge Disruption Event has occurred and is continuing on the second Business Day immediately preceding the Scheduled Credit Settlement Date, the Credit Settlement Date shall be the earlier of (i) the second Business Day

following the date on which the Calculation Agent determines (acting in its sole discretion) that no Hedge Disruption Event subsists and (ii) the day falling 60 Business Days following the Scheduled Credit Settlement Date.

"**Currency Amount**" means with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted to the relevant Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert the Replaced Deliverable Obligation Outstanding Amount of each Deliverable Obligation so replaced by a NOPS Amendment Notice into the currency of denomination of the relevant Replacement Deliverable Obligation.

"**Currency Rate**" means with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Principal Balance or Due and Payable Amount (as applicable) of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, determined by the Calculation Agent and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

"**Currency Rate Source**" means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

"**DC Announcement Coverage Cut-off Date**" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable.

"**DC Credit Event Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, provided that (i) if the Credit Event occurred after the Scheduled Exercise Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date and (ii) if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms a DC Credit Event Announcement shall be deemed not to have occurred unless the Calculation Agent has notified the Issuer that such announcement shall apply to the relevant Instruments.

"**DC No Credit Event Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, a DC No Credit Event Announcement shall be deemed not to have occurred unless the Calculation Agent notifies the Issuer that such announcement shall apply to the relevant Instruments.

"**DC Credit Event Meeting Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

"**DC Credit Event Question**" means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

"**DC Credit Event Question Dismissal**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"**DC Resolution**" has the meaning given to that term in the DC Rules.

"**DC Rules**" means the Credit Derivatives Determinations Committees Rules as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

"**DC Secretary**" has the meaning given to that term in the DC Rules.

"**Default Requirement**" means the amount specified as such in the applicable Final Terms, or its equivalent in the relevant Obligation Currency or, if a Default Requirement is not specified in the applicable Final Terms, U.S.$10,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Credit Event.

"**Deliver**" means:

(a) to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable title) and interest in the Entitlement to the relevant Holder free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set out in (a) to (d) in the definition of "Credit Event" above) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor); provided that (i) if all or a portion of the Entitlement consists of Direct Loan Participations, "Deliver" means to create (or procure the creation of) a participation in favour of the relevant Holder and (ii) if a Deliverable Obligation is a Guarantee, "Deliver" means to Deliver both the Underlying Obligation and the Guarantee provided further that if the Guarantee has a Fixed Cap, "Deliver" means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap. "Delivery" and "Delivered" will be construed accordingly.

In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time provided that the Issuer shall be under no obligation to Deliver such Loan or designate a Replacement Deliverable Obligation to a Holder unless the relevant Holder executes, and/or complies with the provisions of any documentation (which shall include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve or the Calculation Agent determines is appropriate for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves or the Calculation Agent determines constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves or the Calculation Agent determines is appropriate. If any Holder does not execute and/or do not comply with the provisions of such documentation, the Issuer shall redeem the relevant proportion of the Instruments in accordance with Credit Linked W&C Condition 9.

(b) If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had

immediately prior to the Asset Package Credit Event, (ii) sub-paragraph (a) of the definition of "Deliver" shall be deemed to apply to each Asset in the Asset Package provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Calculation Agent has specified the detailed description of the Asset Package comprising the Entitlement that the Issuer shall endeavour to Deliver in accordance with the definition of Notice of Physical Settlement, (iv) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

"**Deliverable Obligation**" means, subject as provided in Credit Linked W&C Condition 5:

(a) any obligation of a Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in "(A) Method for Determining Deliverable Obligations" below;

(b) the Reference Obligation;

(c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and

(d) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if "Financial Reference Entity Terms" is specified as applicable in the applicable Final 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 purposes of sub-paragraph (d) above, immediately prior to the relevant Asset Package Credit Event).

(A) **Method for Determining "Deliverable Obligations"**. For the purposes of this definition of "Deliverable Obligation", the term "Deliverable Obligation" may be defined as each obligation of each Reference Entity described by the Deliverable Obligation Category specified (or deemed to be specified) in the applicable Final Terms, and, subject to (B)(3) below, having each of the Deliverable Obligation Characteristics, if any, specified (or deemed to be specified) in the applicable Final Terms, in each case, as of both the NOPS Effective Date and the Delivery Date thereof. The following terms shall have the following meanings:

(1) "**Deliverable Obligation Category**" means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan (each as defined in the definition of "Obligation" below, except that, for the purpose of determining Deliverable Obligations, the definition of "Reference Obligation Only" shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).

(2) "**Deliverable Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance (each as defined in the definition of "Obligation" below), Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer where:

(i) "**Assignable Loan**" means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender

or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent;

(ii) "**Consent Required Loan**" means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such loan) or any agent;

(iii) "**Direct Loan Participation**" means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Holder that provides each Holder 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 Holder and either (A) the Issuer or the Guarantor (as applicable) (in either case, to the extent that the Issuer or the Guarantor, as applicable, is then a lender or a member of the relevant lending syndicate), or (B) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);

(iv) "**Transferable**" means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

(a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);

(b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or

(c) restrictions in respect of blocked periods on or around payment dates or voting periods.

(v) "**Maximum Maturity**" means an obligation that has a remaining maturity of not greater than (a) the period specified in the applicable Final Terms or (b) if no such period is specified in the applicable Final Terms, 30 years.

(vi) "**Accelerated or Matured**" means an obligation under which the total amount owed, whether by reason of maturity, acceleration, termination or otherwise is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws; and

(vii) "**Not Bearer**" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream, Luxembourg or any other internationally recognised clearing system.

(B) **Interpretation of Provisions**

(1) If (i) either of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only

with respect to Bonds and shall only be relevant if Bonds are covered by the selected Deliverable Obligation Category; (ii) the Deliverable Obligation Characteristic "Transferable" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category); or (iii) any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Deliverable Obligation Category.

(2) If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Deliverable Obligation Characteristics, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

(3) If a Deliverable Obligation is a Relevant Guarantee, the following will apply:

(a) For purposes of the application of the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;

(b) For purposes of the application of the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law";

(c) For purposes of the application of the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated" or "Matured" and "Not Bearer"; and

(d) For purposes of the application of the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

(4) For purposes of the application of the Deliverable Obligation Characteristic "Maximum Maturity", remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.

(5) If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy a particular Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a

Governmental Intervention, shall not cause such obligation to fail to satisfy such Deliverable Obligation Characteristic;

(6) For purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Linked W&C Condition 5 to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event; and

(7) If "Subordinated European Insurance Terms" is specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy the "Maximum Maturity" Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

"**Delivery Date**" means, with respect to a Deliverable Obligation or an Asset Package, the date such Deliverable Obligation is Delivered (or deemed Delivered under sub-paragraph (b)(iii) of the definition of "Deliver").

"**Domestic Currency**" means the currency specified as such in the applicable Final Terms and any successor currency thereto (or, if no such currency is specified in the applicable Final Terms, the lawful currency and any successor currency of (a) the Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if the Reference Entity is not a Sovereign.

"**Domestic Law**" means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if such Reference Entity is not a Sovereign.

"**Downstream Affiliate**" means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity.

"**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 NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date) or (B) the Valuation Date, as applicable.

"**Eligible Information**" means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

"**Eligible Transferee**" means each of the following:

(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 of "Eligible Transferee"); and

(iv) registered or licensed broker or dealer (other than a natural person or proprietorship),

provided, however, in each case that such entity has total assets of at least U.S.$500 million;

(b) an Affiliate of an entity specified in the preceding sub-paragraph (a);

(c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:

(i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least U.S.$100 million or (2) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least U.S.$100 million; or

(ii) that has total assets of at least U.S.$500 million; or

(iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in sub-paragraphs (a), (b), (c)(ii) or (d) of this definition of "Eligible Transferee"; or

(d) (i) any Sovereign; or

(ii) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition to U.S.$ include equivalent amounts in other currencies, as determined by the Calculation Agent.

"**Entitlement**" means, in respect of each notional amount of Long Credit Linked Certificates equal to the Notional Amount, Deliverable Obligations, as selected by the Calculation Agent in its sole and absolute discretion, with:

(a) in the case of Deliverable Obligations that are Borrowed Money, an Outstanding Principal Balance (including accrued but unpaid interest (as determined by the Calculation Agent) if "Include Accrued Interest" is specified as applying in the applicable Final Terms, but excluding accrued but unpaid interest if "Exclude Accrued Interest" is specified as applying in the applicable Final Terms, and if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified as applying in the applicable Final Terms, excluding accrued but unpaid interest); or

(b) in the case of Deliverable Obligations that are not Borrowed Money, a Due and Payable Amount,

(or, in the case of either (a) or (b), the equivalent Currency Amount of any such amount), in an aggregate amount as of the relevant Delivery Date equal to the Notional Amount of such Certificate less Deliverable Obligations with a market value determined by the Calculation Agent in its sole and absolute discretion on the Business Day selected by the Calculation Agent falling during the period from and including the Event Determination Date to and including the Delivery Date equal to the relevant amount of Unwind Costs, if Unwind Costs are specified as applicable in the applicable Final Terms, rounded down to the nearest specified denomination or permitted transfer amount of the Deliverable Obligations comprised in such Entitlement.

Where the Entitlement is rounded down as described above, the Holders will also receive, in respect of each notional amount of Credit Linked Certificates equal to the Notional Amount, the value of the amount of that fraction of the Deliverable Obligations obtained in calculating the Entitlement after rounding down (as determined by the Calculation Agent), as calculated by the Calculation Agent in its sole discretion from such source(s) as it may select (converted if necessary into the Specified Currency by reference to such exchange rate as the Calculation Agent deems appropriate).

If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the Outstanding Principal Balance of such obligation as of the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the Outstanding Principal Balance of such obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

"**Event Determination Date**" means, with respect to a Credit Event and any Instruments with respect to which:

(a) "Auction Settlement" is the applicable Settlement Method:

(i) if (x), subject to (ii) below, "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms or (y) neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred (in each case, with respect to the Credit Event specified in the Credit Event Notice), the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period; or

(ii) if (x) (A) "Calculation Agent Determination" is not specified as being applicable in the applicable Final Terms or (B) "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms but the Calculation Agent notifies the Issuer that this sub-paragraph (ii) shall apply to the relevant Instruments and (y) a DC Credit Event Announcement has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Issue Date), the Credit Event Resolution Request Date, provided that:

(1) (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

(2) (I) the Credit Event is an M(M)R Restructuring; and

(II) (A) in the case of Long Credit Linked W&C Instruments, a Credit Event Notice is delivered by the Calculation Agent to the Issuer or (B) in the case of Short Credit Linked W&C Instruments, a Credit Event Notice is delivered either by the Holder to the Issuer or by the Calculation Agent to the Issuer and, in each case, is effective on or prior to the Business Day following the Exercise Cut-off Date,

provided that:

(x) no Credit Settlement Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;

(y) if any Valuation Date or Delivery Date, as applicable, has occurred as of the date on which the DC Credit Event Meeting Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the Notional Amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred;

(z) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has been delivered by the Issuer to the Holders (A) unless the M(M)R Restructuring stated in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date; (B) unless, and to the extent that, the Partial Redemption Amount or the Partial Cancellation Amount (as applicable) specified in any such Credit Event Notice was less than the then outstanding notional amount; or (C) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out in the Final List are identical to the

Permissible Deliverable Obligations for such Notional Credit Derivative Transaction; or

(b) sub-paragraph (a) does not apply, the Non-Standard Event Determination Date determined in accordance with the definition thereof.

Notwithstanding the foregoing (unless "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms), 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, a DC No Credit Event Announcement in respect of such event occurs prior to the Auction Final Price Determination Date, a Valuation Date, the Credit Settlement Date (or, if earlier, a Delivery Date), or the Short Exercise Date or Long Exercise Date, as applicable (and if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms only if the Calculation Agent notifies the Issuer that this paragraph shall apply to the relevant Instruments).

Where the Instruments are Nth-to-Default Instruments and an Event Determination Date has occurred with respect to more than one Reference Entity on the same day, the Calculation Agent shall determine in its sole discretion the order in which such Event Determination Dates were deemed to occur.

"**Excluded Deliverable Obligation**" means

(a) any obligation of the Reference Entity specified as such or of a type described in the applicable Final Terms;

(b) any principal only component of a Bond from which some or all of the interest components have been stripped; and

(c) if Asset Package Delivery is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

"**Excluded Obligation**" means

(a) any obligation of a Reference Entity specified as such or of a type described as such in the applicable Final Terms.

(b) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Instruments are a Senior Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

(c) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Instruments are a Subordinated Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"**Exercise Cut-Off Date**" means either:

(a) with respect to an M(M)R Restructuring to which sub-paragraph (a) of the definition of Event Determination Date applies:

(i) if the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is (A) two Relevant City Business Days (in respect of a Credit Event Notice delivered by a Holder) or (B) five Relevant City Business Days (in respect of a Credit Event Notice delivered by the Calculation Agent), in each case following the date on which such Final List is published, provided that if the Calculation Agent delivers a Credit Event Notice on or prior to the Exercise Cut-Off Date applicable to Holders and the Holder delivers a Credit Event Notice on or prior to the Exercise Cut-Off Date applicable to the Calculation Agent, the Credit Event Notice

delivered by the Calculation Agent on or prior to the Exercise Cut-Off Date applicable to the Holders shall prevail; or

(ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date; or

(b) with respect to a Credit Event to which sub-paragraph (a) of the definition of Event Determination Date does not apply, the Non-Standard Exercise Cut-off Date determined in accordance with the definition of Non-Standard Exercise Cut-off Date,

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

"**Extension Date**" means the latest of:

(a) the Actual Exercise Date;

(b) the Grace Period Extension Date if (i) "Failure to Pay" and "Grace Period Extension" are specified (or deemed specified) as applicable in the applicable Final Terms, (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Scheduled Exercise Date; and

(c) the Repudiation/Moratorium Evaluation Date (if any) if "Repudiation/Moratorium" is specified as applicable in the applicable Final Terms.

"**Extension Notice**" means a notice from the Calculation Agent to the Issuer on or prior to the Actual Exercise Date giving notice of the following in relation to a Reference Entity:

(a) without prejudice to sub-paragraphs (c) and (d) below, that a Credit Event has occurred or may occur on or prior to the Scheduled Exercise Date (notwithstanding the fact that a Credit Event Notice may have not yet been delivered); or

(b) without prejudice to sub-paragraph (c) and (d) below, that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the longest Notice Delivery Period, but a related DC No Credit Event Announcement, DC Credit Event Question Dismissal or DC Credit Event Announcement has not yet occurred; or

(c) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Exercise Date; or

(d) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Exercise Date. For the purposes of this sub-paragraph (d), the giving of a Repudiation/Moratorium Extension Notice on or prior to the Scheduled Exercise Date shall be deemed to satisfy the requirement to give notice under this definition of "Extension Notice". However, the giving of an Extension Notice in accordance with this sub-paragraph (d) shall not in any way preclude the subsequent giving of a Repudiation/Moratorium Extension Notice so long as the Repudiation/Moratorium Extension Condition is satisfied.

"**Failure to Pay**" means after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

If "Credit Deterioration Requirement" applies then, notwithstanding the foregoing, it shall not constitute a Failure to Pay if such failure does not directly or indirectly either result from, or result in, a deterioration in the creditworthiness or financial condition of the Reference Entity.

Where: "Credit Deterioration Requirement" applies if, in respect of the Transaction Type specified in the applicable Final Terms, the Physical Settlement Matrix specifies that Credit Deterioration Requirement applies to such Transaction Type.

"**Fallback Settlement Event**" means any of the following:

(a) an Auction Cancellation Date or, in the case of a M(M)R Restructuring Credit Event in respect of which the Movement Option was exercised on or prior to the Movement Option Cut-off Date, a Parallel Auction Cancellation Date occurs;

(b) a No Auction Announcement Date occurs and in circumstances where such No Auction Announcement Date occurs pursuant to sub-paragraphs (b) or (c)(ii) of the definition of "No Auction Announcement Date", (i) in the case of Long Credit Linked W&C Instruments, a Notice to Exercise Movement Option has not been delivered by the Issuer to the Holders on or prior to the Auction Final Price Determination Date or (ii) in the case of Short Credit Linked W&C Instruments, the Short Movement Option Condition is not satisfied or no Short Parallel Auction Settlement Terms exist;

(c) a DC Credit Event Question Dismissal occurs;

(d) an Event Determination Date has occurred pursuant to either sub-paragraph (a)(i) of the definition of "Event Determination Date" or sub-paragraph (a) of the definition of "Non-Standard Event Determination Date", and no Credit Event Request Resolution Date has occurred within three Business Days of such Event Determination Date; or

"**Fallback Settlement Method**" means the fallback settlement method specified (or deemed specified) in the applicable Final Terms.

"**Final Delivery Date**" has the meaning given to it in W&C Instruments Condition 32(C)(b).

"**Final List**" has the meaning given to that term in the DC Rules.

"**Final Price**" means the price of the Reference Obligation, expressed as a percentage, determined in accordance with the Valuation Method specified in the applicable Final Terms. The Calculation Agent shall, upon written request by a Holder to the Issuer and the Calculation Agent, make available for inspection by such Holder at the specified office of the Principal Certificate Agent (in the case of Credit Linked Certificates) or Principal Warrant Agent (in the case of Credit Linked Warrants) (i) a list showing the Quotation that it receives in connection with the calculation of the Final Price and (ii) a written computation showing its calculation of the Final Price as soon as practicable after obtaining all Quotations for a Valuation Date. For the avoidance of doubt, the Issuer shall not be required to identify the Quotation Dealer, from whom the Quotations have been obtained.

"**Final Price Calculation Date**" means an Auction Final Price Determination Date or, as the case may be, the date on which the Final Price can be determined in respect of a particular Credit Event and the relevant Reference Entity.

"**Fixed Cap**" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"**Full Quotation**" means, in accordance with the Quotation Method each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount (as applicable) equal to the Quotation Amount.

"**Fully Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and 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 as a requirement for consent for purposes of this definition of "Fully Transferable Obligation". For purposes of determining whether a Deliverable Obligation satisfies the requirements of this definition of "Fully Transferable Obligation", final maturity date shall, subject to Credit Linked W&C Condition 5, be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

"**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, inter-governmental or supranational body;

(c) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or all of its obligations; or

(d) any other authority which is analogous to any of the entities specified in sub-paragraphs (a) to (c) above.

"**Governmental Intervention**" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

(a) any event which would affect creditors' rights so as to cause:

  (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

  (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

  (iii) a postponement or other deferral of a date or dates for either (x) the payment or accrual of interest, or (y) the payment of principal or premium; or

  (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;

(b) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;

(c) a mandatory cancellation, conversion or exchange; or

(d) any event which has an analogous effect to any of the events specified in sub-paragraphs (a) to (c) above.

For purposes of this definition of Governmental Intervention, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

"**Grace Period**" means:

(a) subject to sub-clause (b) and (c) below, the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;

(b) if "Grace Period Extension" is specified as applicable in the applicable Final Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Exercise Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Exercise Date, the Grace Period will be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified, 30 calendar days; and

(c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless "Grace Period Extension" is specified (or deemed specified) as applicable in the applicable Final Terms, such deemed Grace Period shall expire no later than the Scheduled Exercise Date.

"**Grace Period Business Day**" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is 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 applicable in the applicable Final Terms and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Exercise Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If "Grace Period Extension" is not specified (or deemed specified) as applicable in the applicable Final Terms, Grace Period Extension shall not apply.

"**Guarantee**" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"**Hedge Disruption Event**" means in the opinion of the Calculation Agent any event as a result of which the Issuer and/or any of its Affiliates and/or its agents has not received or is unable to receive (for any reason, including without limitation, due to market conditions) the relevant Deliverable Obligations and/or any cash settlement amount and/or any other amount under the terms of any Hedge Transaction (or any other transaction (including without limitation, has not sourced or not been able to source, or it is not practical to source, Deliverable Obligations in an Auction in relation to the Credit Event and Reference Entity or in the market at a price less than or equal to the Auction Final Price or otherwise at the Auction Final Price) and/or funding arrangement entered into for the purpose of hedging the Issuer's obligations (whether in whole or in part) in respect of the Credit Linked Warrants or Credit Linked Certificates, as applicable.

"**Hedge Disruption Obligation**" means a Deliverable Obligation included in the Entitlement which, on the Delivery Date for such Deliverable Obligation, the Calculation Agent determines in its sole and absolute discretion is impossible, illegal, impracticable or is otherwise unable to or cannot be Delivered as a result of a Hedge Disruption Event.

"**Hedge Transaction**" means any transaction or trading position entered into or held by the Issuer and/or any of its Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Credit Linked Warrants or Credit Linked Certificates, as applicable.

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

"**Largest Asset Package**" means, in respect of a Prior Deliverable Obligation or a Package Observable Bond, as the case may be, the package of Assets for which the greatest amount of principal has been or will be exchanged or converted (including by way of amendment), as determined by the Calculation Agent by reference to Eligible Information. If this cannot be determined, the Largest Asset Package will be the package of Assets with the highest immediately realisable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

"**Latest Maturity Restructured Bond or Loan**" means, in respect of a Reference Entity and a Credit Event that is a Restructuring, the Restructured Bond or Loan with the latest final maturity date.

"**Limitation Date**" means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the "**2.5-year Limitation Date**"), 5 years, 7.5 years, 10 years (the "**10-year Limitation Date**"), 12.5 years, 15 years, or 20 years, as applicable. Limitation Dates shall not be subject to adjustment unless otherwise provided in the applicable Final Terms.

"**Long Exercise Date**" means the later of:

(a) the Actual Exercise Date; or

(b) where the Calculation Agent delivers an Extension Notice to the Issuer on or prior to the Actual Exercise Date:

  (i) the date falling 15 Business Days (or such other date as may be specified in the applicable Final Terms) after the Extension Date (and only where an Event Determination Date has not occurred on or prior to the Extension Date);

  (ii) if a Credit Event Resolution Request Date has occurred on or prior to the expiry of the Notice Delivery Period, (x) the date falling 15 Business Days (or such other date as may be specified in the applicable Final Terms) after the later to occur of: (A) the related DC No Credit Event Announcement; or (B) the related DC Credit Event Question Dismissal; or (y) if a DC Credit Event Announcement occurs, the Auction Settlement Date or Credit Event Redemption Date, as applicable (provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, this sub-paragraph (ii) shall not apply to the relevant Instruments unless the Calculation Agent notifies the Issuer that such DC Resolution shall apply to the relevant Long Credit Linked W&C Instruments); or

  (iii) three Business Days following the date the Cancellation Notice is delivered by the Calculation Agent to the Issuer.

"**Market Value**" means, with respect to a Reference Obligation on a Valuation Date:

(a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);

(b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);

(c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations;

(d) if fewer than two Full Quotations and a Weighted Average Quotation is obtained, such Weighted Average Quotation;

(e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject as provided in the definition of Quotation, an amount as determined by the Calculation Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and

(f) if two or more Full Quotations or a Weighted Average Quotation are not obtained on or prior to the tenth Business Day following the applicable Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

"**Merger Event**" means, in respect of Long Credit Linked W&C Instruments only, that at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Exercise Date, the Issuer, the Guarantor (if applicable) or a Reference Entity (any such entity, the "**Mergor**") consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to (i) where the Mergor is the Issuer or the Guarantor, a Reference Entity or (ii) where the Mergor is a Reference Entity, the Issuer or the Guarantor, or, the Guarantor and a Reference Entity or the Issuer and a Reference Entity become Affiliates.

"**Minimum Quotation Amount**" means the amount specified as such in the applicable Final Terms (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of (a) U.S.$1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

"**M(M)R Restructuring**" means a Credit Event that is a Restructuring and in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in the applicable Final Terms.

"**Modified Eligible Transferee**" means any bank, financial institution or other entity which is regularly engaged in and established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

"**Modified Restructuring Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Exercise Date.

Subject to the foregoing, in the event that the Scheduled Exercise Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Exercise 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 Calculation Agent to apply to the Instruments, for the purposes of determining the Auction Final Price, the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable Obligations are more limited than the Deliverable Obligations that could be specified in any Notice of Physical Settlement (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply). The Calculation Agent shall be deemed to have exercised such option if the Calculation Agent delivers an effective Notice to Exercise Movement Option to the Issuer on or prior to the Movement Option Cut-off Date. If the Calculation Agent does not deliver an effective Notice to Exercise Movement Option on or prior to the Movement Option Cut-off Date, the Fallback Settlement Method shall apply.

"**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.

"**N**" or "**Nth**" means, where the applicable Final Terms specify that "Nth-to-Default Instruments" is applicable, such number as may be specified in such Final Terms.

"**Nth-to-Default Instruments**" means any nth-to-default Credit Linked Warrants or Credit Linked Certificates (where applicable) where the Issuer purchases credit protection from the Holders or the Holders purchase credit protection from the Issuer (as applicable) in respect of two or more Reference Entities on the basis that the Instruments will be exercised in whole following the occurrence of an Event Determination Date in respect of the Nth Reference Entity.

"**Next Currency Fixing Time**" means 4.00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective.

"**No Auction Announcement Date**" means, with respect to a Credit Event, the date 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.

"**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 Event Determination Date**" means with respect to a Credit Event and any Instruments with respect to which to which sub-paragraph (a) of the definition of Event Determination Date does not apply:

(a) if (i) subject to sub-paragraph (b) below, "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms or (ii) neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred (in each case, with respect to the Credit Event specified in the Credit Event Notice), the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period; or

(b) if (i) (x) "Calculation Agent Determination" is not specified as being applicable in the applicable Final Terms or (y) "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms but the Calculation Agent notifies the Issuer that this sub-paragraph (b) shall apply to the relevant Instruments and (ii) a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Issue Date) either:

(A) the Credit Event Resolution Request Date, if:

(1) either:

(I) "Auction Settlement" is the applicable Settlement Method; or

(II) the relevant Credit Event is an M(M)R Restructuring; and

(2) (I) in the case of Long Credit Linked W&C Instruments, a Credit Event Notice is delivered by the Calculation Agent to the Issuer or (II) in the case of Short Credit Linked W&C Instruments, a Credit Event Notice is delivered either by the Holder to the Issuer or by the Calculation Agent to the Issuer and, in each case, is effective on or prior to the Non-Standard Exercise Cut-off Date; or

(B) the first date on which, (i) in the case of Long Credit Linked W&C Instruments, a Credit Event Notice is delivered by the Calculation Agent to the Issuer or (ii) in the case of Short Credit Linked W&C Instruments, a Credit Event Notice is delivered either by the Holder to the Issuer or by the Calculation Agent to the Issuer and, in each case, is effective during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is fourteen calendar days thereafter (provided, in each case, that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Issue Date)), if either:

(1) "Auction Settlement" is not the applicable Settlement Method; or

(2) "Auction Settlement" is the applicable Settlement Method and a Credit Event Notice is delivered (x) in the case of Long Credit Linked W&C Instruments, by the Calculation Agent to the Issuer or (y) in the case of Short Credit Linked W&C Instruments, a Credit Event Notice is delivered either by the Holder to the Issuer or by the Calculation Agent to the Issuer and, in each case, is effective on a date that is later than the relevant Non-Standard Exercise Cut-off Date;

provided that:

(I) subject to Credit Linked W&C Condition 5, no Delivery Date, if applicable, or Long Exercise Date or Short Exercise Date (as applicable) has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;

(II) if any Valuation Date or Delivery Date, as applicable, has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs, a Non-Standard Event Determination Date shall be deemed to have occurred only with respect to the portion of the Notional Amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and

(III) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer: (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date; (bb) unless, and to the extent that, the Partial Redemption Amount specified in any such Credit Event Notice was less than the outstanding notional amount of the Instruments in respect of the relevant Reference Entity; or (cc) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction.

"**Non-Standard Exercise Cut-off Date**" means, with respect to a Credit Event to which sub-paragraph (a) of the definition of "Event Determination Date" does not apply:

(a) if such Credit Event is not an M(M)R Restructuring, either:

(i) the Relevant City Business Day (or, in respect of a Credit Event Notice delivered by a Holder, the second Relevant City Business Day) prior to the Auction Final Price Determination Date, if any;

(ii) the Relevant City Business Day (or, in respect of a Credit Event Notice delivered by a Holder, the second Relevant City Business Day) prior to the Auction Cancellation Date, if any; or

(iii) the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable; or

(b) if such Credit Event is an M(M)R Restructuring and:

(i) the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is (A) two Relevant City Business Days (in respect of a Credit Event Notice delivered by a Holder) or (B) five Relevant City Business Days (in respect of a Credit Event Notice delivered by the Calculation Agent), in each case following the date on which such Final List is published, provided that if the Calculation Agent delivers a Credit Event Notice on or prior to the Non-Standard Exercise Cut-Off Date applicable to Holders and the Holder delivers a Credit Event Notice on or prior to the Non-Standard Exercise Cut-Off Date applicable to the Calculation Agent, the Credit Event Notice delivered by the Calculation Agent on or prior to the Non-Standard Exercise Cut-Off Date applicable to the Holders shall prevail; or

(ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date.

"**Non-Standard Reference Obligation**" means the Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

"**Non-Transferable Instrument**" means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

"**NOPS Amendment Notice**" has the meaning given to it in Credit Linked W&C Condition 5.

"**NOPS Cut-off Date**" means:

(a) subject to sub-paragraph (b) below, the later of:

(i) the thirtieth calendar day after the Event Determination Date; and

(ii) the tenth calendar day after either the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal, if any (or, if the relevant Credit Event is an M(M)R Restructuring, the tenth calendar day after the Non-Standard Exercise Cut-off Date); or

(b) if applicable Settlement Method is "Physical Settlement" (or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Physical Settlement") and:

(i) the relevant Credit Event is not an M(M)R Restructuring, the later of: (A) the date determined pursuant to sub-paragraph (a)(i) above; and (B) the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date occurring pursuant to sub-paragraphs (a) or (c)(i) of the definition of No Auction Announcement Date, as applicable; or

(ii) the relevant Credit Event is an M(M)R Restructuring, either:

(A) the later of:

(I) the date determined pursuant to sub-paragraph (a)(i) above; and

(II) the thirtieth calendar day after:

(x) a No Auction Announcement Date occurring pursuant to sub-paragraph (a) of the definition of No Auction Announcement Date, if any;

(y) a No Auction Announcement Date occurring pursuant to sub-paragraph (c)(i) of the definition of No Auction Announcement Date, if any; or

(z) the Auction Cancellation Date, if any, as applicable; or

(B) the later of the Parallel Notice of Physical Settlement Date (or, if more than one should occur, the last Parallel Notice of Physical Settlement Date), and the Relevant City Business Day immediately following the Parallel Auction Cancellation Date, if any (or, if more than one should occur, the last Parallel Auction Cancellation Date), as applicable, in circumstances where either:

(I) a No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition of No Auction Announcement Date and the Movement Option has not been exercised; or

(II) a No Auction Announcement Date occurs pursuant to sub-paragraph (c)(ii) of the definition of No Auction Announcement Date and the Movement Option has not been exercised,

provided that in the case of sub-paragraphs (a)(ii) and (b) above, the relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in sub-paragraph (a)(i) above.

"**NOPS Effective Date**" means the date on which an effective Notice of Physical Settlement or NOPS Amendment Notice, as the case may be, is delivered by the Calculation Agent to the Issuer.

"**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 applicable Final Terms, an effective Notice of Publicly Available Information, have been delivered by the Notifying Party to the Issuer.

"**Notice Delivery Period**" means the period from and including the Issue Date to and including the date that is 15 Business Days (or such other number of days as may be specified in the applicable Final Terms) after the Extension Date.

"**Notice of Physical Settlement**" has the meaning given to it in Credit Linked W&C Condition 5.

"**Notice of Publicly Available Information**" means an irrevocable notice from the Notifying Party 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 description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified (or deemed to be specified) as applying in the applicable Final Terms and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

"**Notice to Exercise Movement Option**" means, with respect to any Instruments (I) which are Long Credit Linked W&C Instruments, and (II) for which (a) an M(M)R Restructuring is applicable and (b) the Fallback Settlement Method would otherwise be applicable following the occurrence of a No Auction Announcement Date (and, in circumstances where such No Auction

Announcement Date occurs pursuant to sub-paragraphs (b) or (c)(ii) of the definition thereof, the Calculation Agent has not exercised the Movement Option), an irrevocable notice from the Calculation Agent to the Issuer that (i) specifies the Parallel Auction Settlement Terms applicable with respect to the Instruments in accordance with the definition of "Movement Option" and (ii) is effective on or prior to the Movement Option Cut-off Date.

"**Notifying Party**" means (a) the Calculation Agent and (b) in respect of Short Credit Linked W&C Instruments only, if the relevant Credit Event is an M(M)R Restructuring, a Holder of the Short Credit Linked W&C Instrument.

"**Notional Amount**" means, in respect of each Credit Linked Warrant or Credit Linked Certificate, as applicable, the Notional Amount per W&C Instrument specified in the applicable Final Terms.

"**Notional Credit Derivative Transaction**" means, with respect to any Credit Linked Warrant or Credit Linked Certificate, as applicable, a hypothetical market standard credit default swap transaction entered into by the Issuer, as Buyer (as defined in the Credit Derivatives Definitions) (in the case of Long Credit Linked W&C Instruments) and the Issuer, as Seller (as defined in the Credit Derivatives Definitions) (in the case of Short Credit Linked W&C Instruments), incorporating the terms of the Credit Derivatives Definitions and under the terms of which (a) the "Trade Date" is the Trade Date; (b) the "Scheduled Termination Date" is the Scheduled Exercise Date; (c) the "Reference Entity" thereunder is the Reference Entity for the purposes of such Instrument; (d) the "Reference Obligation" thereunder is the Reference Obligation for the purposes of such Instrument; and (e) the "Transaction Type" thereunder is the Transaction Type for the purposes of such Instrument.

"**Obligation**" means:

(a) any obligation of a Reference Entity (either directly, as a provider of a Relevant Guarantee) determined pursuant to the method described in "Method for Determining Obligations" below (but excluding any Excluded Obligation);

(b) each Reference Obligation specified (or deemed to be specified) in the applicable Final Terms, unless specified as an Excluded Obligation; and

(c) any Additional Obligation of a Reference Entity specified as such (or deemed to be specified) in the applicable Final Terms;

(A) **Method for Determining "Obligations"**. For the purposes of paragraph (a) of this definition of "Obligation", the term "Obligation" may be defined as each obligation of each Reference Entity described by the Obligation Category specified in the applicable Final Terms, and having each of the Obligation Characteristics (if any) specified in the applicable Final Terms, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

(a) "**Obligation Category**" means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms, where:

(i) "**Payment**" means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money;

(ii) "**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);

(iii) "**Reference Obligation Only**" means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only;

(iv) "**Bond**" means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money;

(v) "**Loan**" means any obligation of a type included in the "Borrowed Money" Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money; and

(vi) "**Bond or Loan**" means any obligation that is either a Bond or a Loan;

(b) "**Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance as specified in the applicable Final Terms, where:

(i) "**Not Subordinated**" means an obligation that is not Subordinated to (I) the Reference Obligation or (II) the Prior Reference Obligation, if applicable.

(ii) "**Subordination**" means, with respect to an obligation (the "**Second Obligation**") and another obligation of the Reference Entity to which such obligation is being compared (the "**First Obligation**"), a contractual, trust or other similar arrangement providing that (I) upon the liquidation, dissolution, reorganisation or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. "Subordinated" will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

(iii) "**Specified Currency**" means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if Specified Currency is specified in the applicable Final Terms and no currency is so specified, any 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.

(iv) "**Not Sovereign Lender**" means any obligation that is not primarily owed to (A) a Sovereign (B) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limitation to 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".

(v) "**Not Domestic Currency**" means any obligation that is **payable** in any currency other than the Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency.

(vi) "**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 a Domestic Law.

(vii) "**Listed**" means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

(viii) "**Not Domestic Issuance**" means any obligation other than an obligation that was issued (or reissued, as the case may be) or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

(B) **Interpretation of Provisions**

(1) if either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category.

(2) if an Obligation is a Relevant Guarantee, the following will apply:

(a) For purposes of the application of the Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;

(b) For purposes of the application of the Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law";

(c) For purposes of the application of the Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated" or "Matured" and "Not Bearer"; and

(d) For purposes of the application of the Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

(3) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy a particular Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic.

"**Obligation Acceleration**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

"**Obligation Currency**" means the currency or currencies in which the Obligation is denominated.

"**Obligation Default**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

"**Original Non-Standard Reference Obligation**" means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation with respect to the Reference Entity (if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation (other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) unless: (a) specified otherwise in the applicable Final Terms; or (b) the relevant Instruments constitute a Reference Obligation Only Trade.

"**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 "Include Accrued Interest" is specified as applicable in the applicable Final Terms (or where neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified as applicable in the applicable Final Terms

and the Calculation Agent determines that the then-current market practice is to include accrued interest), the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (A) 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 (B) 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, (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) (the amount determined in sub-paragraph (a) 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:

(A) unless otherwise specified, in accordance with the terms of the obligation in effect on either (I) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date), or (II) the 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 "Fallback Discounting" applies, then notwithstanding the foregoing, if (i) the Outstanding Principal Balance of an obligation is not reduced or discounted under sub-paragraph (B) above, (ii) that obligation is either a Bond that has an issue price less than ninety-five per cent of the principal redemption amount or a Loan where the amount advanced is less than ninety-five per cent of the principal repayment amount, and (iii) such Bond or Loan does not include provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for the applicable type of Bond or Loan as the case may be, then the Outstanding Principal Balance of such Bond or Loan shall be the lesser of (a) the Non-Contingent Amount; and (b) an amount determined by straight line interpolation between the issue price of the Bond or the amount advanced under the Loan and the principal redemption amount or principal repayment amount, as applicable.

For the purposes of determining whether the issue price of a Bond or the amount advanced under a Loan is less than ninety-five per cent of the principal redemption amount or principal repayment amount (as applicable) or, where applicable, for applying straight line interpolation:

(x) where such Bond or Loan was issued as a result of an exchange offer, the issue price or amount advanced of the new Bond or Loan resulting from the exchange shall be deemed to be equal to the aggregate Outstanding Principal Balance of the original obligation(s) that were tendered or exchanged (the "**Original Obligation(s)**") at the time of such exchange (determined without regard to market or trading value of the Original Obligation(s)); and

(y) in the case of a Bond or Loan that is fungible with a prior debt obligation previously issued by the Reference Entity, such Bond or Loan shall be treated as having the same issue price or amount advanced as the prior debt obligation.

In circumstances where a holder would have received more than one obligation in exchange for the Original Obligation(s), the Calculation Agent will determine the allocation of the aggregate Outstanding Principal Balance of the Original Obligation(s) amongst each of the resulting obligations for the purpose of determining the issue price or amount advanced of the relevant Bond or Loan. Such allocation will take into account the interest rate, maturity, level of subordination and other terms of the obligations that resulted from the exchange and shall be

made by the Calculation Agent in accordance with the methodology (if any) determined by the relevant Credit Derivatives Determinations Committee.

Where: "Fallback Discounting" applies if, in respect of the Transaction Type specified in the applicable Final Terms, the Physical Settlement Matrix specifies that Fallback Discounting applies to such Transaction Type.

"**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-paragraphs (a) or (b) of the definition thereof, in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

"**Parallel Auction**" means "Auction" as defined in the relevant Parallel Auction Settlement Terms.

"**Parallel Auction Cancellation Date**" means "Auction Cancellation Date" as defined in the relevant Parallel Auction Settlement Terms.

"**Parallel Auction Settlement Terms**" means following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms for the purposes of such Auction are the same as the Deliverable Obligation Provisions applicable to the Notional Credit Derivative Transaction and for which such Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

"**Parallel Notice of Physical Settlement Date**" means "Notice of Physical Settlement Date" as defined in the relevant Parallel Auction Settlement Terms.

"**Payment Requirement**" means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if a Payment Requirement is not specified in the applicable Final Terms, U.S.$1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

"**Permissible Deliverable Obligations**" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to the relevant Auction.

"**Permitted Contingency**" means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

(a) as a result of the application of:

(i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;

(ii) provisions implementing the Subordination of the obligation;

(iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);

(iv) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the Conditions and/or the applicable Final Terms; or

(v) 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 Conditions and/or the applicable Final 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 version of the ISDA Credit Derivatives Physical Settlement Matrix, as most recently amended or supplemented as at the Trade Date (unless otherwise specified in relation to a Reference Entity) and as published by ISDA on its website at www.isda.org (or any successor website thereto), provided that any reference therein to (a) "Confirmation" shall be deemed to be a reference to the Credit Linked W&C Conditions and/or the applicable Final Terms; (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Notional Amount, (c) "Section 1.32 of the Definitions" shall be deemed to be a reference to "Credit Event Notice", (d) "Section 1.33" shall be deemed to be a reference to Credit Linked W&C Condition 11 and (e) "Section 8.19" shall be deemed to be a reference to "Physical Settlement Period".

"**Physical Settlement Period**" means the number of Business Days specified as such in the applicable Final Terms or, if a number of Business Days is not so specified, then, with respect to a Deliverable Obligation comprising the Entitlement, the longest number of Business Days for settlement in accordance with then-current market practice of such Deliverable Obligation, as determined by the Calculation Agent in its sole discretion provided that the Physical Settlement Period shall not be less than ten Business Days (unless otherwise notified by the Calculation Agent to the Issuer). If the Calculation Agent has notified the Issuer that the Issuer will endeavour to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be thirty Business Days.

"**Post Dismissal Additional Period**" means the period from and including the date of the DC Credit Event Question Dismissal to and including the date that is fourteen calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Issue Date)).

"**Potential Failure to Pay**" means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

"**Potential Repudiation/Moratorium**" means the occurrence of an event described in paragraph (a) of the definition of Repudiation/Moratorium.

"**Prior Deliverable Obligation**" means:

(a) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within the definition of Deliverable Obligation set out in sub-

paragraphs (a) or (b) of the definition thereof, in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or

(b) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), such Reference Obligation, if any.

"**Prior Reference Obligation**" means, in circumstances where there is no Reference Obligation applicable to the Instruments, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the applicable Final Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity.

"**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) of 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 (or deemed specified) as such in the applicable Final Terms (or if no such source is specified in the applicable Final Terms, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

"**Publicly Available Information**" means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or a Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice has occurred and which:

(a) has been published in or on not less than the Specified Number of Public Sources (regardless of whether the reader or user thereof pays a fee to obtain such information);

(b) is information received from or published by (i) a Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign), or (ii) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or

(c) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in sub-paragraphs (b) or (c) 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) or (c), 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:

(i) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity; and

(ii) that such occurrence:

(A) has met the Payment Requirement or Default Requirement;

(B) is the result of exceeding any applicable Grace Period; or

(C) has met the subjective criteria specified in certain Credit Events;

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both sub-paragraphs (a) and (b) of the definition of Repudiation/Moratorium.

"**Qualifying Affiliate Guarantee**" means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of that Reference Entity.

"**Qualifying Guarantee**" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

(a) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or

(b) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:

(i) by payment;

(ii) by way of Permitted Transfer;

(iii) by operation of law;

(iv) due to the existence of a Fixed Cap; or

(v) due to:

(A) provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms; or

(B) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the applicable Final Terms.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of "Bankruptcy" 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:

(x) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and

(y) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

"**Qualifying Participation Seller**" means any participation seller that meets the requirements specified in the applicable Final Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller.

"**Quotation**" means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a Valuation Date in the manner that follows:

(a) the Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.

(b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the applicable Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day. If no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

(c) (i) if "Include Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall include accrued but unpaid interest;

(ii) if "Exclude Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall not include accrued but unpaid interest; and

(iii) if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, the Calculation Agent shall determine, based on the then-current market practice in the market of the Reference Obligation, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.

"**Quotation Amount**" means the amount specified as such in the applicable Final Terms (which may be specified by reference to an amount in a currency or by reference to a Representative Amount) or, if no amount is specified in the applicable Final Terms, the Aggregate Notional Amount (or, in either case, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained).

"**Quotation Dealer**" means a dealer in obligations of the type of Obligation(s) for which Quotations are to be obtained including each Quotation Dealer specified in the applicable Final Terms. If no Quotation Dealers are specified in the applicable Final Terms, the Calculation

Agent shall select the Quotation Dealers in its sole and absolute discretion. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Calculation Agent may substitute any other Quotation Dealer(s) for such Quotation Dealer(s). For the avoidance of doubt, the Calculation Agent and/or any of its affiliates may be selected as a Quotation Dealer.

"**Quotation Method**" means the applicable Quotation Method specified in the applicable Final Terms by reference to one of the following terms:

(a) "**Bid**" means that only bid quotations shall be requested from Quotation Dealers;

(b) "**Offer**" means that only offer quotations shall be requested from Quotation Dealers; or

(c) "**Mid-market**" means that bid and offer quotations shall be requested from Quotation Dealers and shall be averaged for the purposes of determining a relevant Quotation Dealer's quotation.

If a Quotation Method is not specified in the applicable Final Terms, Bid shall apply.

"**Reference Entity**" or "**Reference Entities**" means the reference entity or entities described as such in the applicable Final Terms. Any Successor to a 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 for the purposes of the relevant Instruments (provided that if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, the Successor identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary shall not be the Reference Entity for the relevant Instruments unless the Calculation Agent notifies the Issuer that such announcement shall apply to such Instruments).

"**Reference Obligation**" means, with respect to a Reference Entity, the Standard Reference Obligation, if any, unless:

(a) "Standard Reference Obligation" is specified as not applicable with respect to the Reference Entity in the applicable Final Terms, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or

(b) (i) "Standard Reference Obligation" is specified as applicable with respect to the Reference Entity (or no election is specified with respect to the Reference Entity), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified with respect to the Reference Entity in the applicable Final Terms, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

"**Reference Obligation Only Exercise Date**" means any day from and including the Substitution Event Date in respect of the event set out in sub-paragraph (a) of the definition of Substitution Event as specified in a Reference Obligation Only Redemption Notice.

"**Reference Obligation Only Trade**" will be applicable with respect to the Instruments if (a) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation Category in the applicable Final Terms and (b) "Standard Reference Obligation" is specified as not applicable in the applicable Final Terms.

Notwithstanding the definition of Substitute Reference Obligation: (i) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Trade and (ii) if the events set out in sub-paragraphs (b) or (c) of the definition of Substitution Event occur with respect to the Reference Obligation in a Reference Obligation Only Trade, such Reference Obligation shall continue to be the Reference Obligation.

"**Relevant City Business Days**" 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 applicable Final Terms, a Qualifying Guarantee.

"**Relevant Holder**" means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

"**Relevant Obligations**" means the Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

(a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;

(b) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made pursuant to the definition of Successor and Credit Linked W&C Condition 13 (*Successors*), make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;

(c) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Instruments are a Senior Transaction, the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan"; and

(d) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms, and the Instruments are deemed to be a Subordinated Transaction, 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 Instruments were a Senior Transaction.

"**Replacement Deliverable Obligation**" has the meaning set out in Credit Linked W&C Condition 5.

"**Replacement Reference Entity**" means an entity identified by the Calculation Agent which is the "Replacement Reference Entity" under the relevant Hedge Transaction and/or:

(a) that is in the same industry classification group as the Surviving Reference Entity as determined by the Calculation Agent with reference to the industry classification groups as published by Moody's Investors Service, Inc. or Standard & Poor's Financial Services LLC or any successors thereto or any other rating agency as the Calculation Agent shall determine;

(b) that has a bid-side credit spread (at the time the Calculation Agent identifies such entity) no greater than 110 per cent. or (as otherwise specified in the applicable Final Terms) of the relevant Surviving Reference Entity at the same time (the "**Credit Spread Requirement**"), in each case based on a credit default swap:

    (i) on market standard terms for the relevant entity as at the time of such determination;

(ii) in respect of a floating rate payer calculation amount equal to at least 50 per cent but not more than 100 per cent. of the Aggregate Nominal Amount of the W&C Instruments; and

(iii) with a term equal to the period from and including the date of determination to and including the Scheduled Termination Date (the "**Remaining Term**"), provided that the Calculation Agent, having used reasonable endeavours, cannot obtain quotations from at least three Quotation Dealers, in respect of the Remaining Term, the term for the purposes of this paragraph (iii) shall be five years,

The bid-side credit spreads for the purpose of the Credit Spread Requirement shall be the unweighted arithmetic mean of the spread quotations obtained by the Calculation Agent from at least three Quotation Dealers, as determined by the Calculation Agent acting in good faith and a commercially reasonable manner;

(c) that is principally traded in the credit derivative market in respect of the same geographical region as the relevant Surviving Reference Entity, as determined by the Calculation Agent acting in good faith and a commercially reasonable manner; and

(d) that is not an Affiliate of any other Reference Entity under the Instruments, the Issuer or the Calculation Agent both immediately prior to and following the relevant Succession Event.

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market and at the relevant time, such amount to be determined by the Calculation Agent.

"**Repudiation/Moratorium**" means the occurrence of both of the following events:

(a) an authorised officer of the Reference Entity or a Governmental Authority:

(i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or

(ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and

(b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

"**Repudiation/Moratorium Evaluation Date**" means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Exercise Date:

(a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of:

(i) the date that is 60 days after the date of such Potential Repudiation/Moratorium; and

(ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date); and

(b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium.

"**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 15 Business Days after the Scheduled Exercise Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium for the purposes of the Instruments has occurred with respect to an Obligation of the Reference Entity and that such event occurred on or prior to the Scheduled Exercise Date (and provided that, if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, the Repudiation/Moratorium Extension Condition shall not be satisfied unless the Calculation Agent notifies the Issuer that such announcement shall apply to the Instruments) or (b) otherwise, in the case of Long Credit Linked W&C Instruments only, by the delivery by the Calculation Agent to the Issuer of (x) a Repudiation/Moratorium Extension Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the applicable Final Terms, a Notice of Publicly Available Information that are each effective on or prior to the date that is 15 Business Days after the Scheduled Exercise Date; or (y) an Extension Notice giving notice of the circumstances set out in sub-paragraph (d) of the definition thereof on or prior to the Actual Exercise Date.

In all cases, the Repudiation/Moratorium Extension Condition will be deemed either not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity or (B) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity but that such event occurred after the Scheduled Exercise Date, provided that, if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, such announcement by the DC Secretary shall be deemed not to have been made (and the Instruments shall be construed accordingly) unless the Calculation Agent notifies the Issuer that such announcement shall apply to the Instruments.

"**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 Exercise Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

"**Resolve**" has the meaning given to that term in the DC Rules, and "Resolved" and "Resolves" shall be construed accordingly.

"**Restructured Bond or Loan**" means an Obligation which is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"**Restructuring**"

(a) "Restructuring" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of the Obligation to bind all the holders of such Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:

(i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;

(iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or

(v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

(b) Notwithstanding the provisions of sub-paragraph (a) above, none of the following shall constitute a Restructuring:

(i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

(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)(i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(iv) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of sub-paragraph (a)(v) above only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

(c) For the purposes of the definition of Restructuring and Credit Linked W&C Condition 15, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in the sub-paragraph (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in sub-paragraph (b) above shall continue to refer to the Reference Entity.

(d) If an exchange has occurred, the determination as to whether one of the events described under sub-paragraphs (a)(i) to (v) has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

"**Restructuring Date**" means, with respect to a Restructured Bond or Loan, 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 Exercise Date.

Notwithstanding the foregoing, if the final maturity date of the Latest Maturity Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date and the Scheduled Exercise 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.

"**Revised Currency Rate**" means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time, or (b) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner.

"**Scheduled Exercise Date**" means the date specified as such in the applicable Final Terms or if no date is so specified, the Actual Exercise Date.

"**Senior Obligation**" means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Senior Transaction**" means a series of Instruments for which (a) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (b) there is no Reference Obligation or Prior Reference Obligation.

"**Seniority Level**" means, with respect to an obligation of the Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in the applicable Final Terms, or (b) if no such seniority level is specified in the applicable Final Terms, "Senior Level" if the Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) "Senior Level".

"**Settlement Currency**" means the currency specified as such in the applicable Final Terms, or if no currency is specified in the applicable Final Terms, the Settlement Currency of the Credit Linked W&C Instruments.

"**Settlement Method**" means the settlement method specified (or deemed specified) in the applicable Final Terms.

"**Short Exercise Date**" means the Actual Exercise Date; provided that

(a) if a Credit Event Resolution Request Date has occurred on or prior to the expiry of the Notice Delivery Period, the Short Exercise Date shall be (x) the date falling 15 Business Days (or such other date as may be specified in the applicable Final Terms) after the later to occur of: (A) the related DC No Credit Event Announcement; or (B) the related DC Credit Event Question Dismissal; or (y) if a DC Credit Event Announcement occurs, the Auction Settlement Date or Credit Event Redemption Date, as applicable; and

(b) if "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, sub-paragraph (a) shall not apply to the relevant Instruments unless the Calculation Agent notifies the Issuer that such DC Resolution shall apply to the relevant Short Credit Linked W&C Instruments.

"**Short Movement Option Condition**" means that the relevant Credit Event is an M(M)R Restructuring with respect 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.

"**Short Parallel Auction Settlement Terms**" means, where the Short Movement Option Condition is satisfied, the Parallel Auction Settlement Terms, if any, selected by the Issuer for the purposes of which the Deliverable Obligations under the Parallel Auction Settlement Terms are more limited than the Deliverable Obligations under the Transaction Auction Settlement Terms (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of Permissible

Deliverable Obligations (as defined in the Credit Derivatives Definitions) shall apply and provided further that the Issuer may apply the Parallel Auction Settlement Terms for purposes of which all Deliverable Obligations on the Final List (as defined in the DC Rules) will be Permissible Deliverable Obligations (as defined in the Credit Derivatives Definitions) if the Parallel Auction Settlement Terms so elected apply to one or more Hedge Transactions in respect of the relevant Instruments).

"**Solvency Capital Provisions**" means any terms in an obligation which permit the Reference Entity's payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

"**Sovereign**" means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including without limiting the foregoing, the central bank) thereof.

"**Sovereign Restructured Deliverable Obligation**" means an Obligation of a Reference Entity which is a Sovereign (either directly or as a provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice or DC Credit Event Announcement has occurred and (b) which fell within the definition of a Deliverable Obligation set out in sub-paragraph (a) of the definition thereof immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Sovereign Succession Event**" means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

"**Specified Number**" means the number of Public Source(s) specified in the applicable Final Terms, or if no number is specified in the applicable Final Terms, two, provided that where "Calculation Agent Determination" is specified as applicable in the applicable Final Terms, the "Specified Number" shall be one.

"**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.

If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) and there shall be no Reference Obligation unless and until such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of the Reference Entity shall constitute the Reference Obligation.

"**Standard Specified Currencies**" 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).

"**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 Transaction**" means a series of Instruments for which the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation.

"**Substitute Reference Obligation**" means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that will replace the Non-Standard Reference Obligation, determined by the Calculation Agent as follows:

(a) The Calculation Agent shall identify the Substitute Reference Obligation in accordance with sub-paragraphs (c), (d) and (e) below to replace the Non-Standard Reference Obligation; provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.

(b) If any of the events set forth under sub-paragraphs (a) or (c) of the definition of Substitution Event have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic and sub-paragraph (c)(ii) below). If the event set forth in sub-paragraph (b) of the definition of Substitution Event has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under sub-paragraphs (i) or (iii) of the definition of Substitution Event occur with respect to such Non-Standard Reference Obligation.

(c) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:

(i) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);

(ii) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and

(iii) (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:

(I) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available,

(II) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation;

(B) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:

(I) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(II) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available,

(III) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or

(C) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:

(I) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(II) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(III) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available,

(IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation.

(d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (c) above, the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer under the Instruments, as determined by the Calculation Agent. The Calculation Agent will notify the Issuer of the Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with sub-paragraph (c) above and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.

(e) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation, then, subject to sub-paragraph (a) above and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with sub-paragraph (b) above, the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation.

"**Substitute Reference Obligation Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve a Substitute Reference Obligation to the Non-Standard Reference Obligation, 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.

"**Substitution Date**" means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Issuer of the Substitute Reference Obligation that it has identified in accordance with the definition of Substitute Reference Obligation.

"**Substitution Event**" means, with respect to the 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 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).

"**Successor**" means:

(a) subject to sub-paragraph (c) below, the entity or entities, if any, determined as follows:

(i) subject to sub-paragraph (a)(vii), if one entity succeeds, either directly or as provider of a Relevant Guarantee, to 75 per cent. or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;

(ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent. of the Relevant Obligations will be the sole Successor;

(iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than 25 per cent. of the Relevant Obligations will each be a Successor, and the Credit Linked Warrants or Credit Linked Certificates, as applicable, will be divided in accordance with Credit Linked W&C Condition 13;

(iv) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor, and the Credit Linked Warrants or Credit Linked Certificates, as applicable, will be divided in accordance with Credit Linked W&C Condition 13;

(v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity and the Credit Linked Warrants or Credit Linked Certificates, as applicable, will not be changed in any way as a result of the such succession;

(vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor and the Credit Linked Warrants or Credit Linked Certificates, as applicable, will be divided in accordance with Credit Linked W&C Condition 13); 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 (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor.

(b) The Calculation Agent will be responsible for determining, as soon as reasonably practicable it becomes aware thereof and, in each case, with effect from the Succession Date, any Successor or Successors under sub-paragraph (a) above; provided that if "Calculation Agent Determination" is not specified as being applicable in the applicable Final Terms, the Calculation Agent will not make such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit

Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

Notwithstanding sub-paragraph (a) above, where "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms, the Successor shall be either (as selected by the Calculation Agent in its sole discretion) (A) the current obligor in respect of the Reference Obligation, (B) the successor(s) determined in accordance with sub-paragraph (a) above, as applicable, or (C) any successor(s) identified by the relevant Credit Derivatives Determinations Committee pursuant to a DC Resolution if the Calculation Agent notifies the Issuer that a DC Resolution in relation to a Reference Entity and a succession shall apply.

The Calculation Agent will make all calculations and determinations required to be made under this provision on the basis of Eligible Information and will notify the Issuer of any such calculation or determination as soon as practicable.

In calculating the percentages used to determine whether an entity qualifies as a Successor, 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.

(c) An entity may only be a Successor if:

(i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;

(ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and

(iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

(d) For the purposes of this definition of Successor, "**succeed**" means, with respect to a Reference Entity and its Relevant Obligations, that an entity other than such Reference Entity: (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement); or (ii) issues Bonds or incurs Loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of this definition of Successor, "succeeded" and "succession" shall be construed accordingly.

(e) In the case of an exchange offer, the determination required pursuant to sub-paragraph (a) above 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.

(f) If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**") either directly or as a provider of a Relevant Guarantee, then (i) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

(g) Where:

(A) a Reference Obligation with respect to a Reference Entity is specified in the applicable Final Terms; and

(B) one or more Successors to the Reference Entity have been identified; and

(C) any one or more such Successors have not assumed the Reference Obligation,

a Substitute Reference Obligation will be determined in accordance with the definition of "Substitute Reference Obligation".

"**Successor Backstop Date**" means for purposes of any Successor determination determined by DC Resolution, the date that is ninety calendar days prior to the Successor Resolution Request Date or otherwise, the date that is ninety calendar days prior to the earlier of (i) the date on which the Successor Notice is effective and (ii) in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Successor Notice is delivered by the Calculation Agent to the Issuer not more than fourteen calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**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 has been determined by the Calculation Agent. A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be made pursuant to 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.

"**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.

"**Trade Date**" means the date specified as such in the applicable Final Terms.

"**Transaction Auction Settlement Terms**" means either:

(a) (if the relevant Credit Event is not a Restructuring) the Credit Derivatives Auction Settlement Terms; and

(b) (if the relevant Credit Event is a Restructuring), the Credit Derivatives Auction Settlement Terms for which the Notional Credit Derivative Transaction would be an Auction Covered Transaction.

If multiple Transaction Auction Settlement Terms are published in relation to Senior Obligations and Subordinated Obligations of the Reference Entity, the Calculation Agent shall select the Transaction Auction Settlement Terms which are relevant for the purposes of the Instruments.

"**Transaction Type**" means in respect of a Reference Entity, the transaction type specified in respect of such Reference Entity in the applicable Final Terms corresponding to the "Transaction Type" specified as such in the Physical Settlement Matrix.

"**Undeliverable Obligation**" means a Deliverable Obligation included in the Entitlement which, on the Final Delivery Date for such Deliverable Obligation, the Calculation Agent determines (in its sole discretion) for any reason (including without limitation, failure of the relevant clearance system or due to any law, regulation, court order, contractual restrictions, statutory restrictions, a Hedge Disruption Event or market conditions or the non-receipt of any requisite consents with respect to the Delivery of Loans) it is either:

(a) impossible, illegal, impracticable or is otherwise unable to Deliver for any reason on the Final Delivery Date; or

(b) unable or impracticable to Deliver on the Final Delivery Date because (i) the relevant Holder(s) has not taken any action that is deemed necessary by the Calculation Agent (acting in its sole discretion) to enable the Issuer to Deliver and/or for the Holder(s) to take delivery of all or a portion of the Deliverable Obligations; or (ii) the Holder(s) has failed to provide know-your-customer information, sign and deliver relevant transfer documentation and/or confidentiality agreement, pay a fee to the agent to effect the transfer and/or provide any other information or documentation or make any other payment (including any taxes) as is specified under the terms of the relevant Deliverable Obligations or as is customary to provide in respect of such Deliverable Obligations, each as may be required pursuant to the definition of "Deliver" herein.

Where Asset Package Delivery applies the Issuer may (but is not obliged to) Deliver any Asset comprising the Asset Package and any Asset which is not Delivered shall constitute an "Undeliverable Obligation" for the purposes of this definition.

"**Underlying Obligation**" means, with respect to a guarantee, the obligation which is the subject of the guarantee.

"**Underlying Obligor**" means with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

"**Unwind Costs**" means the amount specified in the applicable Final Terms or if "Standard Unwind Costs" are specified in the applicable Final Terms, an amount determined by the Calculation Agent in its sole discretion equal to the sum of (without duplication) all costs, expenses (including, without limitation, loss of funding and break funding charges and fees), tax and duties incurred by the Issuer and/or any of its Affiliates and/or agents in connection with the redemption or cancellation, as applicable, of the Instruments and the related termination, settlement or re-establishment of any hedge or related trading position (and any cost incurred by the Issuer and/or any of its Affiliates and/or agents in sourcing the Deliverable Obligations delivered if the Issuer is unable to do so by way of a transaction entered into pursuant to the relevant Auction and to the extent that the same exceeds the Auction Final Price (if any) determined in relation to the relevant Reference Entity) (or which would have been so incurred had the Issuer and/or its Affiliates entered into and/or elected to unwind one or more such transactions, positions or arrangements), such amount to be apportioned *pro rata* amongst each Notional Amount of the Instruments.

"**Valuation Date**" means (i) where Physical Settlement is specified as applying in the applicable Final Terms, the day falling five Business Days after the Final Delivery Date, or (ii) where Cash Settlement is specified as applying in the applicable Final Terms, if "Single Valuation Date" is specified in the applicable Final Terms, the date that is the number of Business Days specified in the applicable Final Terms after the Event Determination Date or, if the number of Business Days is not so specified, any day falling on or before the 122nd Business Day after the Event Determination Date or (following any Auction Cancellation Date or No Auction Announcement Date) after such Auction Cancellation Date or No Auction Announcement Date (in each case, as selected by the Calculation Agent in its sole discretion), and if "Multiple Valuation Dates" is specified in the applicable Final Terms, each of the following dates:

(a) the date that is the number of Business Days specified in the applicable Final Terms after the Event Determination Date, Auction Cancellation Date or No Auction Announcement Date (or, if the number of Business Days is not specified, five Business Days); and

(b) each successive date that is the number of Business Days specified in the applicable Final Terms (or if the number of Business Days is not so specified, five Business Days) after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

When "Multiple Valuation Dates" is specified in the applicable Final Terms, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the applicable Final Terms (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

If neither Single Valuation Date nor Multiple Valuation Dates is specified in the applicable Final Terms, Single Valuation Date shall apply.

"**Valuation Method**":

(a) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and only one Valuation Date:

"**Market**" means the Market Value determined by the Calculation Agent with respect to the Valuation Date; or

"**Highest**" means the highest Quotation obtained by the Calculation Agent with respect to the Valuation Date.

(b) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Highest.

(c) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and more than one Valuation Date:

"**Average Market**" means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each Valuation Date; or

"**Highest**" means the highest Quotation obtained by the Calculation Agent with respect to any Valuation Date; or

"**Average Highest**" means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to each Valuation Date.

(d) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Average Highest.

(e) The following Valuation Methods may be specified in the applicable Final Terms for a Series with more than one Reference Obligation and only one Valuation Date:

"**Blended Market**" means the unweighted arithmetic mean of the Market Value for each Reference Obligation determined by the Calculation Agent with respect to the Valuation Date; or

"**Blended Highest**" means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent for each Reference Obligation with respect to the Valuation Date.

(f) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Blended Highest.

(g) The following Valuation Methods may be specified in the applicable Final Terms for a Series with more than one Reference Obligation and more than one Valuation Date:

"**Average Blended Market**" means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Market Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date; or

"**Average Blended Highest**" means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Highest Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date.

(h) If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Average Blended Highest.

(i) Notwithstanding paragraphs (a) to (h) above, if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market, Average Market, Blended Market or Average Blended Market, as the case may be.

"**Valuation Time**" means the time specified as such in the applicable Final Terms or, if no time is so specified, 11.00 a.m. in the principal trading market for the Reference Obligation.

"**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.

"**Weighted Average Quotation**" means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount (but, if a Minimum Quotation Amount is specified in the applicable Final Terms, of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, quotations as near in size as practicable to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

3. **Automatic Exercise**

(a) Unless previously exercised or purchased and cancelled by the Issuer, each Long Credit Linked W&C Instrument will be automatically exercised on the Long Exercise Date, and each such Instrument shall entitle its Holder to receive from the Issuer on the Settlement Date the Cash Settlement Amount specified in, or determined in the manner specified in, the applicable Final Terms (or, if no such provision is made in the applicable Final Terms, the outstanding Notional Amount thereof).

(b) Unless previously exercised or purchased and cancelled by the Issuer, each Short Credit Linked W&C Instrument will be automatically exercised on the Short Exercise Date, and each such Instrument shall entitle its Holder to receive from the Issuer on the Settlement Date the Cash Settlement Amount specified in, or determined in the manner specified in, the applicable Final Terms (or, if no such provision is made in the applicable Final Terms, zero).

If Reference Obligation Only Trade is applicable with respect to the Instruments and the event set out in sub-paragraph (a) of the definition of Substitution Event occurs with respect to the Reference Obligation, the Calculation Agent may give notice (such notice a "**Reference Obligation Only Exercise Notice**") to the Issuer on any day from and including the applicable Substitution Event Date and the Issuer shall exercise each Credit Linked Warrant or Credit Linked Certificate, as applicable, and the Holder of each such Instrument shall receive the Cash Settlement Amount specified in, or determined in the manner specified in, the applicable Final Terms (or if no such provision is made in the applicable Final Terms (i) in respect of each Long Credit Linked W&C Instrument, the outstanding Notional Amount thereof or (ii) in respect of each Short Credit Linked W&C Instrument, zero).

4. **Cash Settlement**

Unless the Instruments have been previously redeemed or purchased and cancelled, if an Event Determination Date occurs (in the case of Nth-to-Default Instruments, in relation to the Nth Reference Entity in respect of which an Event Determination Date occurs) and the applicable Settlement Method is "Cash Settlement" (or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Cash Settlement"), the Calculation Agent shall give notice (such

notice a "**Settlement Notice**") to the Issuer and the Issuer shall redeem or cancel, as applicable, all of the Instruments and pay in respect of each Instrument the Credit Event Redemption Amount on the Credit Event Redemption Date.

If an Event Determination Date occurs and the Instruments are redeemed in accordance with this Credit Linked W&C Condition 4, upon payment of the Credit Event Redemption Amount the Issuer shall have discharged its obligations in respect of the Instruments and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Issue Price or Notional Amount of an Instrument. Any shortfall shall be borne by the Holder and no liability shall attach to the Issuer and/or the Guarantor.

5. **Physical Settlement**

Unless the Instruments have been previously redeemed or purchased and cancelled, if an Event Determination Date occurs (in the case of Nth-to-Default Instruments, in relation to the Nth Reference Entity in respect of which an Event Determination Date occurs) and the applicable Settlement Method is "Physical Settlement" (or a Fallback Settlement Event has occurred and the Fallback Settlement Method is "Physical Settlement"), the Calculation Agent shall give notice (such notice a "**Notice of Physical Settlement**") to the Issuer on or before the NOPS Cut-off Date and the Issuer shall redeem or cancel, as applicable, all of the Instruments, by Delivering (or procuring the Delivery) in respect of each Instrument the Deliverable Obligations comprising the Entitlement, subject to and in accordance with the W&C Instruments Conditions and the Credit Linked W&C Conditions (and in particular, Credit Linked W&C Condition 9).

In the Notice of Physical Settlement, the Calculation Agent shall:

(a) specify the Deliverable Obligations comprising the Entitlement that the Issuer shall endeavour to Deliver including, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available or applicable, the rate and tenor) of each such Deliverable Obligation; and

(b) specify the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case, the "**Outstanding Amount**") and, if different, the face amount, of each such Deliverable Obligation and the aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that the Issuer shall endeavour to Deliver (the "**Aggregate Outstanding Amount**").

The Calculation Agent may at any time prior to any Delivery Date by delivery of a notice to the Issuer (the "**NOPS Amendment Notice**") amend the Notice of Physical Settlement and the Issuer shall endeavour to, pursuant to such NOPS Amendment Notice, Deliver to the Holders replacement Deliverable Obligations that are different from the Deliverable Obligations originally specified (each, a "**Replacement Deliverable Obligation**"). A NOPS Amendment Notice shall contain a revised detailed description of each Replacement Deliverable Obligation and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the "**Replaced Deliverable Obligation Outstanding Amount**"). The Outstanding Amount of the Replacement Deliverable Obligations specified in any NOPS Amendment Notice in aggregate with the Outstanding Amount of the Deliverable Obligations specified in the Notice of Physical Settlement or any earlier NOPS Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Delivery Date (determined without reference to any change resulting from such NOPS Amendment Notice).

Notwithstanding the foregoing, (i) the Calculation Agent may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to Issuer prior to the relevant Delivery Date; and (ii) if Asset Package Delivery is applicable, the Calculation Agent shall on the NOPS Effective Date, or as soon as reasonably practicable thereafter (but in any case, prior to the Delivery Date), notify the Issuer of the detailed

description of the Asset Package, if any, that the Issuer shall endeavour to deliver in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice of correction shall not constitute a NOPS Amendment Notice.

If (i) "Physical Settlement" is specified to be the Settlement Method in the applicable Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod R" is specified as applicable in the applicable Final Terms and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice, as applicable, if such Deliverable Obligation (A) is a Fully Transferable Obligation and (B) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date, in each case, as of both the NOPS Effective Date and the Delivery Date.

If (i) "Physical Settlement" is specified to be the Settlement Method in the applicable Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod Mod R" is specified as applicable in the applicable Final Terms and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice, as applicable, if it (A) is a Conditionally Transferable Obligation and (B) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date in each case, as of both the NOPS Effective Date and the Delivery Date. Notwithstanding the foregoing, for purposes of this sub-paragraph, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

Unless otherwise specified in the applicable Final Terms, the Guaranteed Cash Settlement Amount in respect of each Credit Linked Warrant or Credit Linked Certificate shall be an amount calculated in accordance with the definition of "Partial Cash Settlement Amount", provided that the Guarantor shall designate in its sole and absolute discretion which portion of the Entitlement shall be an Undeliverable Obligation, and provided that the Valuation Date, shall be the date notified as such by the Guarantor to the Issuer and the Calculation Agent.

If an Event Determination Date occurs and the Instruments are redeemed or are cancelled in accordance with this Credit Linked W&C Condition 5, upon Delivery of the Deliverable Obligations comprising the Entitlement and/or payment of the Partial Cash Settlement Amount, as the case may be, the Issuer shall have discharged its obligations in respect of the Instruments and shall have no other liability or obligation whatsoever in respect thereof. The value of such Deliverable Obligations and/or the Partial Cash Settlement Amount in respect of the Instruments to be redeemed may be less than the Issue Price or Notional Amount of an Instrument. Any shortfall shall be borne by the Holder and no liability shall attach to the Issuer and/or the Guarantor.

6. **Auction Settlement**

Unless the Instruments have been previously redeemed or purchased and cancelled, if an Event Determination Date occurs (in the case of Nth-to-Default Instruments, in relation to the Nth Reference Entity in respect of which an Event Determination Date occurs) and the applicable Settlement Method is "Auction Settlement", the Calculation Agent shall give notice (such notice a "**Settlement Notice**") to the Issuer and the Issuer shall redeem or cancel as applicable, all of the Instruments and pay in respect of each Instrument the Auction Settlement Amount on the Auction Settlement Date unless a Fallback Settlement Event occurs (for the avoidance of doubt, in relation to the same Credit Event), in which case the Issuer shall redeem or cancel, as the case may be, the Instruments in accordance with the applicable Fallback Settlement Method.

If an Event Determination Date occurs and the Instruments are redeemed or are cancelled in accordance with this Credit Linked W&C Condition 6, upon payment of the Auction Settlement Amount the Issuer shall have discharged its obligations in respect of the Instruments and shall have no other liability or obligation whatsoever in respect thereof. The Auction Settlement Amount may be less than the Issue Price or Notional Amount of an Instrument. Any shortfall shall be borne by the Holder and no liability shall attach to the Issuer and/or the Guarantor.

7. **Suspension of Obligations**

If a Credit Event Resolution Request Date occurs in relation to any Reference Entity, then, unless the Issuer otherwise elects by notice to the Holders, any obligation of the Issuer to redeem or cancel (as the case may be) or otherwise settle any Credit Linked Warrant or Credit Linked Certificate or pay any Additional Amount which would otherwise be due thereon shall, to the extent that it relates to such Reference Entity, be and remain suspended until (a) the occurrence of a DC Credit Event Announcement; (b) the occurrence of a DC No Credit Event Announcement; or (c) the occurrence of a DC Credit Event Question Dismissal (each of the events set out in (a), (b) or (c), a "**DC Announcement**").

Following a DC Announcement, any obligations so suspended shall resume on the second Business Day immediately following the date of such DC Announcement (with benefit being given of the full day notwithstanding when the tolling or suspension began). Any Additional Amount so suspended shall, subject to W&C Instruments Condition 26(B) or W&C Instruments Condition 33(B), as applicable, become due and payable on the date determined by the Calculation Agent in its sole discretion provided that such date shall not be later than 20 Business Days after the date of such DC Announcement.

No interest shall accrue on any Additional Amount, any Cash Settlement Amount or any other payment obligation of the Issuer so suspended.

Where the applicable Final Terms specify that "Calculation Agent Determination" is applicable, this Credit Linked W&C Condition 7 shall not apply to the relevant Instruments unless the Calculation Agent notifies the Issuer that this Credit Linked W&C Condition 7 shall apply.

8. **Additional Amounts**

Following the delivery of an Extension Notice, in the case of additional amount bearing Credit Linked Warrants or Credit Linked Certificates and provided that an Event Determination Date has not occurred, the Issuer shall be obliged to pay Additional Amounts calculated as provided in W&C Instruments Condition 26 or W&C Instruments Condition 32, as applicable, accruing from (and including) the Additional Amount Payment Date immediately preceding the Actual Exercise Date (or, if none the Issue Date) to (but excluding) the Actual Exercise Date but shall only be obliged to make such payment of interest on the Long Exercise Date or the Short Exercise Date, as applicable, and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay.

Without prejudice to Credit Linked W&C Condition 7, if "Accrual of Additional Amounts upon Credit Event" is specified as Not Applicable in the applicable Final Terms and the Calculation Agent determines that a Credit Event, a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred or may occur on or prior to an Additional Amount Payment Date, the Calculation Agent may notify the Issuer and where the Calculation Agent delivers any such notice (a "**Postponement Notice**") to the Issuer on or prior to such Additional Amount Payment Date (in either case, the "**Postponed Payment Date**"), any obligation of the Issuer to pay any Additional Amount shall be suspended for a period of 15 Business Days following such Postponed Payment Date (or, in respect of any Postponed Payment Date scheduled to fall on the Actual Exercise Date, up to the Long Exercise Date or the Short Exercise Date, as applicable, (or such shorter period as the Calculation Agent may notify the Issuer) to enable the Calculation Agent to determine whether a Credit Event has occurred.

Where the Calculation Agent delivers a Postponement Notice to the Issuer, the Issuer shall give notice thereof as soon as practicable to the Holders in accordance with W&C Instruments

Condition 12, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any postponement of an Additional Amount Payment Date.

If an Event Determination Date has not occurred on or prior to such 15th Business Day, Long Exercise Date or Short Exercise Date, as applicable, the Additional Amount shall be payable on such 15th Business Day, Long Exercise Date or Short Exercise Date, as applicable, (for the avoidance of doubt, no interest shall accrue on any additional amount so suspended). If an Event Determination Date has occurred on or prior to such 15th Business Day, Long Exercise Date or Short Exercise Date, as applicable, then notwithstanding W&C Instruments Condition 26(B)(a) or W&C Instruments Condition 33(B)(a), as applicable, each Instrument shall cease to accrue Additional Amounts from the Additional Amount Payment Date immediately preceding the Postponed Payment Date or, if the Postponed Payment Date falls on the first Additional Amount Payment Date, no Additional Amount shall accrue on the Instruments (and W&C Instruments Condition 26(B) or W&C Instruments Condition 33(B), as applicable shall be deemed to be amended accordingly).

9. **Partial Cash Settlement**

If all or a portion of the Undeliverable Obligations or Hedge Disruption Obligations comprising the Entitlement are not Delivered for whatever reason by the Final Delivery Date, the Calculation Agent shall give notice (a "**Partial Cash Settlement Notice**") to the Issuer, as applicable, and the Issuer shall pay in respect of each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, the Partial Cash Settlement Amount on the Partial Cash Settlement Date. For the avoidance of doubt, the failure by the Issuer to Deliver all or such portion of the Undeliverable Obligations comprising the Entitlement on or prior to the Final Delivery Date shall not constitute an Event of Default.

Unless otherwise specified in the applicable Final Terms, for the purposes of this Credit Linked W&C Condition 9 the following terms are deemed to have the following meanings:

"**Indicative Quotation**" means, in accordance with the Quotation Method, each quotation obtained from a Quotation Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, equal to the Quotation Amount, which reflects such Quotation Dealer's reasonable assessment of the price of such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, based on such factors as such Quotation Dealer may consider relevant, which may include historical prices and recovery rates.

"**Market Value**" means, with respect to an Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, on a Valuation Date, (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the same highest and lowest values (and, if more than one such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (b) if exactly three Full Quotations are obtained, the Full Quotations remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (e) if Indicative Quotations are specified as applying in the applicable Final Terms and exactly three Indicative Quotations are obtained, the Indicative Quotation remaining after disregarding the highest and lowest Indicative Quotations (and, if more than one such Indicative Quotations have the same highest or lowest value, then one of such highest or lowest Indicative Quotations shall be disregarded); (f) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) then, subject to paragraph (b) of the definition of "Quotation" below, an amount as determined by the Calculation Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation or, if applicable, three Indicative Quotations are obtained; and (vii) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) on the same Business Day on or prior to the tenth Business Day

following the Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.

"**Partial Cash Settlement Amount**" is deemed to be, for each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, an amount calculated by the Calculation Agent equal to the greater of (a) (i) the Outstanding Principal Balance, the Due and Payable Amount or the Currency Amount, as applicable, of each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, multiplied by (ii) either (A) if one or more Auctions are held by the Credit Derivatives Determinations Committee in respect of the Reference Entity, the Auction Final Price or (B) if the Calculation Agent decides (in its sole and absolute discretion), the Final Price with respect to such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, less (iii) Unwind Costs, if any (but excluding any Unwind Costs already taken into account in calculating the relevant Entitlement), and (b) zero.

"**Partial Cash Settlement Date**" is deemed to be the date falling three Business Days after the calculation of the Final Price or, as applicable, the date falling fifteen Business Days after the later of (a) the Final Delivery Date and (b) the Auction Final Price Determination Date.

"**Quotation**" means each Full Quotation, the Weighted Average Quotation and, if Indicative Quotations are specified as applying in the applicable Final Terms, each Indicative Quotation obtained and expressed as a percentage with respect to a Valuation Date in the manner that follows:

(a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers, and, if two or more Full Quotations are not available, a Weighted Average Quotation. If two or more such Full Quotations or a Weighted Average Quotation are not available on any such Business Day and Indicative Quotations are specified as applying in the applicable Final Terms, the Calculation Agent shall attempt to obtain three Indicative Quotations from five or more Quotation Dealers.

(b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation (or, if Indicative Quotations are specified as applying in the applicable Final Terms, three Indicative Quotations) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.

(c) The Calculation Agent shall determine, based on the then-current market practice in the market of the relevant Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.

(d) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the Outstanding Principal Balance for the purposes of determining the Final Price.

"**Quotation Amount**" is deemed to be, with respect to each type or issue of Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained), as applicable, of such Undeliverable Obligation or Hedge Disruption Obligations, as the case may be. The Calculation Agent may in its sole discretion round up or down the Quotation Amount for the purposes of seeking a Quotation.

"**Quotation Method**" is deemed to be Bid.

"**Reference Obligation**" is deemed to be each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be.

"**Valuation Method**" is deemed to be Highest unless fewer than two Full Quotations are obtained or a Weighted Average Quotation applies (or, if applicable, Indicative Quotations), in which case "Valuation Method" is deemed to be Market Value.

"**Valuation Time**" is the time specified as such in the applicable Final Terms, or, if no time is so specified, 11:00 a.m. in the principal trading market for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be.

"**Weighted Average Quotation**" means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, with an Outstanding Principal Balance of as large a size as available but less than the Quotation Amount that in aggregate are approximately equal to the Quotation Amount.

10. **Redemption following a Merger Event**

If this Credit Linked W&C Condition 10 is specified as applicable in the applicable Final Terms, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Holders in accordance with W&C Instruments Condition 12, and redeem or cancel, as applicable, all but not less than all of the Instruments at the Merger Event Redemption Amount on the Merger Event Redemption Date, each as specified in the applicable Final Terms.

11. **Credit Event Notice after M(M)R Restructuring Credit Event**

If this Credit Linked W&C Condition 11 is specified as applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in the Terms and Conditions, upon the occurrence of an M(M)R Restructuring:

(a) in the case of Credit Linked Certificates:

(i) either (A) the Calculation Agent may deliver a Credit Event Notice to the Issuer or (B) (in the case of Short Credit Linked Certificates only) a Holder may deliver a Credit Event Notice to the Issuer, in each case in respect of an amount (the "**Partial Cancellation Amount**") that is less than the Notional Amount of each Certificate immediately prior to the delivery of such Credit Event Notice. In such circumstances the Credit Linked W&C Conditions and related provisions shall be deemed to apply to the Partial Cancellation Amount only and each such Certificate shall be cancelled in part (such cancelled part being equal to the Partial Cancellation Amount).

(ii) For the avoidance of doubt (A) the Notional Amount, part or other amount of each such Certificate not so redeemed in part shall remain outstanding and Additional Amounts (if applicable) shall be payable on the Notional Amount outstanding of such Certificate as provided in W&C Instruments Condition 33 (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate), (B) the Credit Linked W&C Conditions and related provisions shall apply to such Notional Amount, part or other amount outstanding of such Certificate in the event that subsequent Credit Event Notices are delivered in respect of the Reference Entity that was the subject of the M(M)R Restructuring Credit Event and (C) once a Credit Event Notice with respect to an M(M)R Restructuring Credit Event has been delivered in respect of a Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Reference Entity that was the subject of the M(M)R Restructuring Credit Event.

(iii) If the provisions of this Credit Linked W&C Condition 11(a) apply in respect of the Credit Linked Certificate, on cancellation of part of each such Credit Linked Certificate the relevant Credit Linked Certificate or, if the Credit Linked Certificates are represented by a Global Certificate, such Global Certificate, shall be endorsed to reflect such part redemption;

(b) in the case of Credit Linked Warrants:

(i) either (A) the Calculation Agent may deliver a Credit Event Notice to the Issuer or (B) (in the case of Short Credit Linked Warrants only) a Holder may deliver a Credit Event Notice to the Issuer, in each case in respect of an amount (the "**Partial Cancellation Amount**") that is less than the Notional Amount of each Warrant immediately prior to the delivery of such Credit Event Notice (provided that if the Credit Event Notice does not specify an amount, then the full Notional Amount will be deemed to have been specified). In such circumstances the Credit Linked W&C Conditions and related provisions shall be deemed to apply to the Partial Cancellation Amount only and each such Warrant shall be cancelled in part (such cancelled part being equal to the Partial Cancellation Amount).

(ii) For the avoidance of doubt (A) the Notional Amount, part or other amount of each such Warrant not so redeemed in part shall remain outstanding and Additional Amounts (if applicable) shall be payable on the Notional Amount outstanding of such Warrant as provided in W&C Instruments Condition 26 (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate), (B) the Credit Linked W&C Conditions and related provisions shall apply to such Notional Amount, part or other amount outstanding of such Warrant in the event that subsequent Credit Event Notices are delivered in respect of the Reference Entity that was the subject of the M(M)R Restructuring Credit Event and (C) once a Credit Event Notice with respect to an M(M)R Restructuring Credit Event has been delivered in respect of a Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Reference Entity that was the subject of the M(M)R Restructuring Credit Event.

(iii) If the provisions of this Credit Linked W&C Condition 11(b) apply in respect of the Credit Linked Warrant, on cancellation of part of each such Credit Linked Warrant the relevant Credit Linked Warrant or, if the Credit Linked Warrants are represented by a Global Warrant, such Global Warrant, shall be endorsed to reflect such part redemption.

12. Multiple Holder Obligation

If this Credit Linked W&C Condition 12 is specified as applicable (or deemed to be applicable) in the applicable Final Terms, notwithstanding anything to the contrary in the definition of Restructuring and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraphs (a)(i) to (v) of the definition of "Restructuring" in

Credit Linked W&C Condition 2 shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

"**Multiple Holder Obligation**" means an Obligation that (a) at the time of the event which constitutes a Restructuring Credit Event, is held by more than three holders that are not Affiliates of each other and (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event, provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in (b).

13. **Successors**

(a) Where pursuant to sub-paragraph (a)(iii), (iv) or (vi) of the definition of Successor, more than one Successor has been identified, the Credit Linked Warrants or Credit Linked Certificates, as applicable, will be equally divided into such number of notional Credit Linked Warrants or Credit Linked Certificates, as applicable, as there are Successors and each Successor will be the Reference Entity for the purposes of one of such Credit Linked Warrants or Credit Linked Certificates, as applicable. These Credit Linked W&C Conditions shall be deemed to apply to such Credit Linked Warrants or Credit Linked Certificates, as applicable, and shall be construed accordingly.

(b) Where a Credit Event occurs in respect of a Reference Entity after more than one Successor has been identified, the provisions of these Credit Linked W&C Conditions shall be deemed to apply to the Notional Amount represented by that Reference Entity only (the "**Partial Notional Amount**") and all the provisions shall be construed accordingly. Each Instrument shall thereafter be redeemed in part (such redeemed part being equal to its *pro rata* share of the Partial Notional Amount).

(c) The Instruments shall remain outstanding with a new Notional Amount equal to the Notional Amount prior to such redemption minus the Partial Notional Amount (such amount, the "**Remaining Amount**") and Additional Amounts (if applicable) shall be payable on the Remaining Amount as provided for in W&C Instruments Condition 26 or W&C Instruments Condition 33, as applicable (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate).

(d) Any determinations (including (without limitation) as to the division of the Credit Linked Warrants or Credit Linked Certificates, as applicable) and any adjustment to the applicable Final Terms relating to, connected with or as a result of the identification of more than one Successor shall be made by the Calculation Agent in its sole discretion (provided that if such determinations have been made by the relevant Credit Derivatives Determinations Committee, then the Calculation Agent shall, unless (x) otherwise provided for in the applicable Final Terms or (y) "Calculation Agent Determination" is specified as applicable in the applicable Final Terms, be bound by such determinations) and, in the absence of manifest error, shall be conclusive and binding on all Holders. The applicable Final Terms may be amended and restated from time to time to reflect the effect of such determinations without the consent of the Holders and the Holders are deemed to agree to this provision by the purchase of the Instruments.

14. **Provisions taken from the ISDA supplement titled "Additional Provisions for Monoline Insurer Reference Entities" (published on September 15, 2014)**

If Credit Linked W&C Condition 14 is specified as applicable in the applicable Final Terms, the following provisions will apply:

(a) **Obligation and Deliverable Obligation**. Paragraph (a) of the definition of "Obligation" in Credit Linked W&C Condition 2 and paragraph (a) of the definition of "Deliverable Obligation" in Credit Linked W&C Condition 2 are hereby amended by adding "or Qualifying Policy" after "or as a provider of a Relevant Guarantee".

(b) **Interpretation of Provisions**. In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, paragraph (B) (*Interpretation of Provisions*) of the

definition of "Deliverable Obligation" and paragraph (B) (*Interpretation of Provisions*) of the definition of "Obligation" in Credit Linked W&C Condition 2 will apply, with references to the "Relevant Guarantee", the "Underlying Obligation" and the "Underlying Obligor" deemed to include the "Qualifying Policy", the "Insured Instrument" and the "Insured Obligor", respectively, except that:

(i) the Obligation Category Borrowed Money and the Obligation Category and Deliverable Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the Deliverable Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms "obligation" and "obligors" as used in the Credit Linked W&C Conditions in respect of such an Insured Instrument shall be construed accordingly;

(ii) references in the definitions of "Assignable Loan" and "Consent Required Loan" to the "guarantor" and "guaranteeing" shall be deemed to include the "insurer" and "insuring", respectively;

(iii) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of Accelerated or Matured, whether or not that characteristic is otherwise specified as applicable in the applicable Final Terms;

(iv) if the Assignable Loan, Consent Required Loan, Direct Loan Participation or Transferable Deliverable Obligation Characteristics are specified in the applicable Final Terms and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument;

(v) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "maturity", as such term is used in the Maximum Maturity Deliverable Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur; and

(vi) with respect to a Qualifying Policy and an Insured Instrument, only the Qualifying Policy must satisfy on the relevant date or dates the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, if applicable.

(c) **Outstanding Principal Balance**. References in sub-paragraph (a) of the definition of "Outstanding Principal Balance" in Credit Linked W&C Condition 2 to a Guarantee, the Underlying Obligation and the Underlying Obligor shall be deemed to include a Qualifying Policy, the Insured Instrument and the Insured Obligor respectively. Any provisions of an Insured Instrument limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument shall be disregarded for the purposes of sub-paragraph (b) of the definition of "Outstanding Principal Balance" in Credit Linked W&C Condition 2 provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction.

(d) **Deliver**. For the purposes of the definition of "Deliver" in Credit Linked W&C Condition 2, "Deliver" with respect to an obligation that is a Qualifying Policy means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and "Delivery" and "Delivered" will be construed accordingly.

(e) **Provisions for Determining a Successor**. Sub-paragraphs (a), (d) and (f) of the definition of "Successor" in Credit Linked W&C Condition 2 are hereby amended by adding "or Qualifying Policy" after each occurrence of "a Relevant Guarantee". Sub-paragraph (f) of the definition of "Successor" in Credit Linked W&C Condition 2 is hereby amended by adding "or provider of a Qualifying Policy" after "as guarantor or guarantors".

(f) **Original Non-Standard Reference Obligation, Substitute Reference Obligation and Substitution Event**. The definition of "Original Non-Standard Reference Obligation", sub-paragraph (c)(i) of the definition of "Substitute Reference Obligation" and sub-paragraph (c) of the definition of "Substitution Event" in Credit Linked W&C Condition 2 are hereby amended by adding "or Qualifying Policy" after "a guarantee".

(g) **Restructuring**

(i) With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto, sub-paragraphs (a)(i) to (v) inclusive of the definition of "Restructuring" in Credit Linked W&C Condition 2 are hereby amended to read as follows:

"(i) a reduction in the rate or amount or the Instrument Payments in clause (A)(x) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);

(ii) a reduction in the amount of the Instrument Payments described in clause (A)(y) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (x) the payment or accrual of the Instrument Payments described in clause (A)(x) of the definition thereof or (y) the payment of the Instrument Payments described in clause (A)(y) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;

(iv) a change in the ranking in priority of payment of (x) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (y) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, Subordination will be deemed to include any such change that results in a lower ranking under a priority of payments provision applicable to the relevant Instrument Payments; or

(v) any change in the currency of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom 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)."

(ii) Sub-paragraph (b)(iv) of the definition of "Restructuring" in Credit Linked W&C Condition 2 is hereby amended by adding "or, in the case of a Qualifying Policy and an Insured Instrument, where (A) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that such Instrument Payments would be made prior to such event and (B) such event is not a change in the ranking in the priority of payment of the Qualifying Policy" at the end thereof.

(iii) The definition of "Restructuring" in Credit Linked W&C Condition 2 is hereby amended by the insertion of the following paragraph after the final paragraph thereof:

"For purposes of the definition of "Restructuring" in Credit Linked W&C Condition 2 and if Credit Linked W&C Condition 14 is specified as applying in the applicable Final Terms, for the purposes of the Credit Linked W&C Conditions the term Obligation shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the Reference Entity in sub-paragraph (a) above shall be deemed to refer to the Insured Obligor and the reference to the Reference Entity in sub-paragraph (b) above shall continue to refer to the Reference Entity."

(h) **Fully Transferable Obligation and Conditionally Transferable Obligation**. In the event that a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant definition. References in the definition of "Conditionally Transferable Obligation" to the "guarantor" and "guaranteeing" shall be deemed to include the "insurer" and "insuring" respectively. With respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "final maturity date", as such term is used in Credit Linked W&C Condition 5 and the definition of "Restructuring Maturity Limitation Date", shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

(i) **Other Provisions**. For purposes of the definitions of "Credit Event" and "Deliver" in Credit Linked W&C Condition 2, references to the "Underlying Obligation" and the "Underlying Obligor" shall be deemed to include "Insured Instruments" and the "Insured Obligor" respectively.

(j) **Additional Definitions**.

"**Qualifying Policy**" means a financial guaranty insurance policy or similar financial guarantee pursuant to which a Reference Entity irrevocably guarantees or insures all Instrument Payments of an instrument that constitutes Borrowed Money (modified as set forth in this Credit Linked W&C Condition 14) (the "**Insured Instrument**") for which another party (including a special purpose entity or trust) is the obligor (the "**Insured Obligor**"). Qualifying Policies shall exclude any arrangement (i) structured as a surety bond, letter of credit or equivalent legal arrangement or (ii) pursuant to the express contractual terms of which the payment obligations of the Reference Entity can be discharged or reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than the payment of Instrument Payments);

"**Instrument Payments**" means (i) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (x) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (y) the ultimate distribution of the Certificate Balance on or prior to a specified date and (ii) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (i) and (ii) (A) determined without regard to limited recourse or reduction provisions of the type described in Credit Linked W&C Condition 14(c) above and (B) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

"**Certificate Balance**" means, in the case of an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, the unit principal balance, certificate balance or similar measure of unreimbursed principal investment.

15. **Provisions taken from the ISDA supplement titled "Additional Provisions for LPN Reference Entities" (published on September 15, 2014)**

If Credit Linked W&C Condition 15 is specified as applicable in the applicable Final Terms, notwithstanding anything to the contrary in the Credit Linked W&C Conditions, the following provisions will apply:

(a) provisions relating to Multiple Holder Obligation will be deemed to be Not Applicable with respect to any Reference Obligation (and any Underlying Loan);

(b) each Reference Obligation will be an Obligation, notwithstanding anything to the contrary in the Credit Linked W&C 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 Credit Linked W&C Conditions including and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity.

For the avoidance of doubt with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the Outstanding Principal Balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation.

The Not Subordinated Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity;

(d) the definition of "Reference Obligation" shall be deleted and the following substituted therefor:

"**Reference Obligation**" means, as of the Trade Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the applicable Final Terms and set forth on the relevant LPN Reference Obligations List (each a "**Markit Published LPN Reference Obligation**"), as published by Markit Group Limited, or any successor thereto, which list is as of the Trade Date available at http://www.markit.com/marketing/services.php, any Additional LPN determined in accordance with sub-paragraph (e) below, and each Additional Obligation. Each Reference Obligation determined in accordance with the foregoing will be a Reference Obligation notwithstanding anything to the contrary in the Credit Linked W&C 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 the definition of "Original Non-Standard Reference Obligation" shall not apply.

It is intended that there may be more than one Reference Obligation, as a result of which all applicable references in the Credit Linked W&C Conditions to "the Reference Obligation" shall be construed as a reference to "a Reference Obligation", and all other provisions of the Credit Linked W&C Conditions shall be construed accordingly.

The provisions set forth in the definitions of "Substitute Reference Obligation" and "Substitution Event" shall not be applicable to LPN Reference Obligations; and

(e) the following additional definitions shall apply:

"**Additional LPN**" means any bond issued in the form of a loan participation note (a "**LPN**") by an entity (the "**LPN Issuer**") for the sole purpose of providing funds for the LPN Issuer to (a) finance a loan to the Reference Entity (the "**Underlying Loan**") or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the "**Underlying Finance Instrument**"), provided that (i) either (x) in the event that there is an Underlying Loan with respect to such LPN the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity or (y) in the event that there is an Underlying Finance Instrument with respect to such

LPN the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics; (ii) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs.

"**Additional Obligation**" means each of the obligations listed as an Additional Obligation of the Reference Entity in the applicable Final Terms or set forth on the relevant LPN Reference Obligations List, 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/marketing/services.php.

"**First Ranking Interest**" means a charge, security interest (or other type of interest having similar effect) (an "**Interest**"), which is expressed as being "first ranking", "first priority", or similar ("**First Ranking**") in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any related insolvency jurisdiction of the LPN Issuer).

"**LPN Reference Obligation**" means each Reference Obligation other than any Additional Obligation.

For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation constituting a Reference Obligation.

Each LPN Reference Obligation is issued for the sole purpose of providing funds for the Issuer to finance a loan to the Reference Entity. For the purposes of the Credit Linked W&C Conditions each such loan shall be an Underlying Loan.

16. **Deliverable Obligations Portfolio Valuation**

If Credit Linked W&C Condition 16 is specified as applicable in the applicable Final Terms:

(a) notwithstanding anything to the contrary in the Credit Linked W&C Conditions, "Reference Obligation" shall mean:

(i) any obligation of a Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in sub-paragraph (A) (Method for Determining "Deliverable Obligations") in the definition of "Deliverable Obligation" above;

(ii) each Benchmark Obligation specified in the applicable Final Terms; and

(iii) any Substitute Benchmark Obligation,

as selected by the Calculation Agent in its sole and absolute discretion and notified to the Issuer (a "**Reference Obligation Notification**") on or prior to the relevant Valuation Date.

In each case the Reference Obligation Notification shall describe the selected Reference Obligation in reasonable detail and shall specify the title or designation, maturity date and coupon rate. The Calculation Agent may at any time after delivering a Reference Obligation Notification but prior to the Valuation Time on the Valuation Date deliver a further Reference Obligation Notification which shall replace all prior Reference Obligation Notifications in relation to any additional or replacement Reference Obligation specified therein.

For the avoidance of doubt the Calculation Agent shall be entitled to select any of the Reference Obligations for the purposes of calculating the Final Price irrespective of their

market value and, provided that (in the case of Credit Linked W&C Condition 16(a)(i) only) the selected obligation(s) satisfy the Deliverable Obligation Category and Deliverable Obligation Characteristics on the date of selection, such obligation(s) may constitute the Reference Obligation for the purposes hereof notwithstanding that this is not the case subsequent to such date. For the avoidance of doubt, the Deliverable Obligation Category and Deliverable Obligation Characteristics shall not apply in respect of any Benchmark Obligation or Substitute Benchmark Obligation.

(b) The definition of "Substitute Reference Obligation" in Credit Linked W&C Condition 2 shall be amended so that each reference to "Substitute Reference Obligation" and "Non-Standard Reference Obligation" is replaced by reference to a "Substitute Benchmark Obligation" and a "Benchmark Obligation" respectively, provided that once a Benchmark Obligation has been specified as a Reference Obligation the definition of "Substitute Reference Obligation" shall not apply with respect to such Benchmark Obligation.

(c) Sub-paragraph (b)(i) of "Method for Determining Obligations" in the definition of "Obligation" in Credit Linked W&C Condition 2 shall be deleted and the following substituted therefor:

"**Not Subordinated**" means an obligation that is not Subordinated to (i) the most senior Benchmark Obligation in priority of payment or (ii) if no Benchmark Obligation is specified in the applicable Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity. For purposes of determining whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, the ranking in priority of payment of each Benchmark Obligation shall be determined as of the later of (A) the Trade Date specified in the applicable Final Terms and (B) the date on which such Benchmark Obligation was issued or incurred and shall not reflect any change to such ranking in priority of payment after such later date.

(d) For purposes of the Credit Linked W&C Conditions:

(i) each reference in the Credit Linked W&C Conditions to "a Deliverable Obligation" and "the Deliverable Obligation" shall be deemed to be a reference to "a Reference Obligation" and "the Reference Obligation" respectively; and

(ii) each reference in the Credit Linked W&C Conditions to "a Delivery Date" and "the Delivery Date" shall be deemed to be a reference to the date of selection of the relevant Reference Obligation.

(e) For the avoidance of doubt, if Credit Linked W&C Condition 16 is specified as applicable in the applicable Final Terms Credit Linked W&C Condition 5 is not applicable and the Instruments shall, following the occurrence of an Event Determination Date, be settled in accordance with Credit Linked W&C Condition 4, and these Credit Linked W&C Conditions shall be construed accordingly.

(f) If the Calculation Agent selects more than one Reference Obligation, such Reference Obligations shall have an Outstanding Principal Balance or Due and Payable Amount (or the equivalent Currency Amount of any such amount) that, in aggregate, shall not exceed the Reference Entity Notional Amount in respect of the relevant Reference Entity.

(g) With respect to a Reference Entity and the related Final Price Calculation Date, the "Final Price" shall be the weighted average of the Final Prices determined for each Reference Obligation in respect of the relevant Reference Entity, weighted by reference to the Reference Portfolio of each such Reference Obligation.

(h) For the purposes of Credit Linked W&C Condition 16(a)(ii), Benchmark Obligation means each Reference Obligation specified in respect of the relevant Reference Entity, unless otherwise specified in the applicable Final Terms.

17. Nth-to-Default Instruments

Where the Instruments are Nth-to-Default Instruments:

(a) where a succession has occurred in respect of a Reference Entity (other than a Reference Entity in respect of which an Event Determination Date has occurred) and more than one Successor has been identified, the applicable Instruments will be equally divided into a number of notional Credit Linked Warrants or Credit Linked Certificate, as applicable, as there are Successors. Each such notional Credit Linked Warrants or Credit Linked Certificates, as applicable, shall include a Successor and each and every one of the Reference Entities unaffected by such succession shall apply thereto;

(b) if "Substitution" is specified as not being applicable in the applicable Final Terms, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to a succession) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a succession, such Surviving Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity; and

(c) if "Substitution" is specified as being applicable in the applicable Final Terms, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to a succession) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a succession:

(i) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and

(ii) the Replacement Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity.

18. **Provisions taken from the CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (published on 15 September 2014)**

If Credit Linked W&C Condition 18 is specified as applicable in the applicable Final Terms, notwithstanding anything to the contrary in the Credit Linked W&C Conditions, the following provisions will apply:

(a) The following additional definitions shall apply:

"**CoCo Provision**" means, with respect to an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

"**CoCo Supplement**" means the CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (published on 15 September 2014).

"**Trigger Percentage**" means the trigger percentage specified in the applicable Final Terms (or if no such trigger percentage is specified, 5.25 per cent.).

"**Capital Ratio**" means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

(b) A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes under the Credit Linked W&C Conditions.

(c) If, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention falling within sub-paragraph (a) of the definition thereof.

19. **Provisions taken from the 2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (published on 15 September 2014)**

If Credit Linked W&C Condition 19 is specified as applicable in respect of a Reference Entity in the applicable Final Terms, the following provision shall apply in respect of such Reference Entity for purposes of the Instruments and the Credit Linked W&C Conditions:

The last paragraph of the definition of "Asset Package Credit Event" is hereby amended by the addition of the following at the end thereof: "Notwithstanding the above, it shall be deemed that no Package Observable Bond exists with respect to a Reference Entity that is a Sovereign (even if such a Package Observable Bond has been published by ISDA and accordingly, Asset Package Delivery shall not apply thereto."

20. **Provisions taken from the ISDA Supplement titled "2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations" (published on 16 September 2020)**

If Credit Linked W&C Condition 20 is specified as applicable in the applicable Final Terms, the following provisions shall apply:

(a) Notwithstanding the definition of "Obligation", any obligation that is a Bond that was issued on or prior to August 31, 2020 shall be an "Excluded Obligation"; and

(b) Notwithstanding the definition of "Deliverable Obligation", any obligation that is a Bond that was issued on or prior to August 31, 2020 shall be an "Excluded Deliverable Obligation".

21. **Physical Settlement Matrix**

Where a Transaction Type is specified in the applicable Final Terms in respect of any Reference Entity, then the provisions of such Final Terms shall apply with respect to such Reference Entity in accordance with the Physical Settlement Matrix as it applies to such Transaction Type, as though such Physical Settlement Matrix were set out in full in such Final Terms. Certain additional provisions or supplements may be deemed to apply to the Credit Linked W&C Conditions in respect of a Reference Entity if those provisions or supplements are specified as being applicable for the relevant Reference Entity in the Credit Derivatives Physical Settlement Matrix and the provisions of the Credit Linked W&C Conditions shall be construed as if those additional provisions or supplements had been included in the Credit Linked W&C Conditions with such amendments as the Calculation Agent deems necessary to give effect to those provisions.

22. **Notices to Holders**

The Issuer shall, upon receiving any of the following notices from the Calculation Agent, as soon as practicable forward a copy of such notice(s) to the Holders of the relevant Instruments:

(a) an Extension Notice;

(b) a Cancellation Notice;

(c) a Credit Event Notice;

(d) a Notice of Publicly Available Information;

(e) a Settlement Notice;

(f) a Reference Obligation Only Redemption Notice;

(g) a determination by the Calculation Agent of a Successor or a Sovereign Succession Event (including any Successor Notice);

(h) a Notice of Physical Settlement;

(i) a NOPS Amendment Notice;

(j) a Partial Cash Settlement Notice;

(k) any notification by the Calculation Agent to the Issuer that the Physical Settlement Period shall be less than ten Business Days;

(l) a Notice to Exercise Movement Option;

(m) a Postponement Notice;

(n) a Repudiation/Moratorium Extension Notice; and

(o) (where "Calculation Agent Determination" is specified as being applicable in the applicable Final Terms) any notification from the Calculation Agent that it will apply a DC Resolution for the purposes of the relevant Instruments.

23. **Calculation Agent**

Any determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Credit Linked W&C Conditions and related provisions shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders and shall be without liability on the part of the Calculation Agent and without the Calculation Agent being obliged to consider the interests of the Issuer, the Guarantor or the Holders. In performing its duties pursuant to the Credit Linked W&C Conditions, the Calculation Agent shall act in its sole and absolute discretion. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Linked W&C Conditions including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer and the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

For the avoidance of doubt, if the applicable Final Terms specify that "Calculation Agent Determination" is applicable, then notwithstanding any provision in these Credit Linked W&C Conditions, the Issuer and the Calculation Agent shall not be bound to (although they may in their sole discretion) apply any DC Resolution to the Instruments and unless the Calculation Agent notifies the Issuer that any DC Resolution shall apply to the Instruments, the Credit Linked W&C Conditions and the relevant Instruments shall be construed as if the relevant DC Resolution and the relevant DC Question was not made. If the Calculation Agent notifies the Issuer that any DC Resolution shall apply to the Instruments, the Calculation Agent shall have the power to amend or otherwise adjust any provision of these Credit Linked W&C Conditions (including, without limitation any provision relating to the timing of notices hereunder) to account for the application of such DC Resolution.

24. **Change in Market Convention**

The Calculation Agent may (but shall not be obliged to), without obtaining the consent of or consulting with the Holders or any other person, from time to time and at any time in its sole and absolute discretion and in good faith, amend any provision of these Credit Linked W&C Conditions or the Instruments:

(a) (including but not limited to the applicable Transaction Type, Credit Events, Deliverable Obligation Category, and Deliverable Obligation Characteristics and deliverability, Reference Obligation, Successor and other provisions) to correspond with the most recently published ISDA Credit Derivatives Definitions, ISDA Credit Derivatives Physical Settlement Matrix version, SRO List and/or prevailing trading standards applicable to a Reference Entity;

(b) to incorporate and/or reflect further or alternative documents from time to time published by ISDA with respect to credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees which the Calculation Agent determines in a commercially reasonable manner are necessary to reflect market practice for credit derivative transactions; and/or

(c) in circumstances where a Reference Entity has proposed an exchange of all or substantially all of the obligations of such Reference Entity into cash, securities and/or other assets, to reflect or account for such exchange, regardless of the credit derivatives definitions or trading standards applicable to such Reference Entity.

The applicable Final Terms may be amended and/or restated from time to time to reflect any such amendments without the consent of the Holders, and the Holders are deemed to agree to this provision by the purchase or acquisition of the Instruments.

25. **Additional Provisions**

(a) If one or more amendments or adjustments to these Credit Linked W&C Conditions are required for one or more Series of credit linked Instruments, including any issue of Nth-to-Default Instruments or leveraged credit linked instruments, the applicable Final Terms shall set out such amendments or adjustments to these Credit Linked W&C Conditions that are necessary in order to take account of the nature of such instruments and these Credit Linked W&C Conditions shall be construed accordingly.

(b) Any term defined or described in these Credit Linked W&C Conditions or the applicable Final Terms includes where that term is incorporated or included by reference to another document including (without limitation) where the applicability or otherwise of any particular provision is determined by reference to the Credit Derivatives Physical Settlement Matrix.

(c) Subject to sub-paragraph (d) below, in order to determine the day on which an event occurs for purposes of these Credit Linked W&C Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

(d) Notwithstanding the definition of "Credit Event Notice" and sub-paragraph (c) above, if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.

26. **Additional Disruption Events**

(a) Following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) in the case of Credit Linked Warrants, give notice to Holders in accordance with W&C Instruments Condition 12 and cancel the Credit Linked Warrants. If the Credit Linked Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Credit Linked Warrant held by him, which amount shall be the fair market value of a Credit Linked Warrant, taking into account the Additional Disruption Event less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12; or

(iii) in the case of Credit Linked Certificates, give notice to Holders in accordance with W&C Instruments Condition 12 and cancel the Credit Linked Certificates. If the Credit Linked Certificates are so cancelled, the Issuer will pay an amount to each Holder in respect of each Credit Linked Certificate held by him, which amount shall be the fair market value of a Credit Linked Certificate, taking into account the Additional Disruption Event less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

(b) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with W&C Instruments Condition 12 stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

(c) For these purposes:

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms.

"**Change in Law**" means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant asset, hedge or related trading position or (B) the Issuer and/or any of its Affiliates or agents will incur a materially increased cost in performing the obligations of the Issuer in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity, price, credit or other risk of the Issuer issuing and performing its obligations with respect to the Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity, price, credit or other risk of the Issuer issuing and performing its obligations with respect to the Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

ANNEX 10

ADDITIONAL TERMS AND CONDITIONS FOR PHYSICAL DELIVERY NOTES

1. **Interpretation**

The following provisions (the "**Physical Delivery Note Conditions**") apply to Notes specified as being Physical Delivery Notes in the applicable Final Terms or where Physical Delivery is specified in the applicable Final Terms. Physical delivery of an Entitlement shall be in accordance with usual market practice for delivery of such Entitlement and the applicable rules and procedures of the relevant Clearing System. The applicable Final Terms may set forth further conditions for Physical Delivery Notes. For the avoidance of doubt, BofA Finance Notes may not be settled by physical delivery.

References in the Physical Delivery Note Conditions to "delivery", "delivered" and "deliver" shall in the context of the delivery of the Entitlement in respect of Credit Linked Notes be deemed to be references to "Delivery", "Delivered" and "Deliver" as such terms are defined and construed in the Credit Linked Note Conditions.

2. **Delivery of Entitlement and Asset Transfer Notices**

In order to obtain delivery of the Entitlement(s) in respect of any Note:

(a) if such Note is represented by a Global Note, the relevant Holder must deliver to the relevant Clearing System, with a copy to the Principal Paying Agent or U.S. Paying Agent, as applicable, and the Issuer not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice substantially in the form set out in the English Law Agency Agreement or New York Law Agency Agreement, as applicable (each, an "**Asset Transfer Notice**"). Such Asset Transfer Notice may be in electronic form or in such other manner as is acceptable to the relevant Clearing System, provided that the relevant Holder will provide a positive confirmation to the relevant Clearing System that it makes all the required certifications, representations, undertakings and authorisations, together with the provision of the required specifications in the Asset Transfer Notice, as set out in this Physical Delivery Note Condition 2; or

(b) if such Note is in definitive form, the relevant Holder must deliver to any Paying Agent, with a copy to the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer not later than the close of business in each place of receipt on the Cut-Off Date, a duly completed Asset Transfer Notice.

Forms of the Asset Transfer Notice may be obtained during normal business hours from the specified office of any Paying Agent.

An Asset Transfer Notice may only be delivered (a) if such Note is represented by a Global Note, in such manner as is acceptable to the relevant Clearing System, or (b) if such Note is in definitive form in writing or such other form acceptable to the Principal Paying Agent or U.S. Paying Agent, as applicable.

If such Note is in definitive form, such Note must be delivered together with the duly completed Asset Transfer Notice.

The Issuer shall at the risk of the relevant Holder deliver the Entitlement in respect of each Note or, in the case of Credit Linked Notes, Deliver the Deliverable Obligations comprising the Entitlement in such commercially reasonable manner as the Issuer shall, in its sole discretion, determine to be appropriate for such delivery.

All expenses including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities, transfer and/or other taxes or duties (together "**Expenses**") arising from the redemption of the Notes and the delivery of any Entitlement shall be for the account of the relevant Holder and no

delivery and/or transfer of any Entitlement shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Holder.

An Asset Transfer Notice must:

(a) specify the name, address and contact telephone number of the relevant Holder and the person from whom the Issuer may obtain details for the delivery of the Entitlement if such delivery is to be made otherwise than in the manner specified in the applicable Final Terms;

(b) in the case of Notes represented by a Global Note, specify the nominal amount of Notes which are the subject of such notice and the number of the Holder's account at the relevant Clearing System, to be debited with such Notes and irrevocably instruct and authorise the relevant Clearing System, to debit the relevant Holder's account with such Notes on or before the Maturity Delivery Date (as defined below) or, in the case of Credit Linked Notes, the Credit Settlement Date;

(c) include an undertaking to pay all Expenses and, in the case of Notes represented by a Global Note, an authority to debit a specified account of the Holder at the relevant Clearing System, in respect thereof and to pay such Expenses;

(d) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and number of the Holder's account to be credited with any cash payable by the Issuer, in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement, as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or in respect of any Partial Cash Settlement Amounts;

(e) in the case of Notes that are sold outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act, certify that the beneficial owner of each Note is not a U.S. person (as defined by Regulation S under the Securities Act); the Note is not being redeemed within the United States or on behalf of a U.S. person; and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof, provided that, in the case of Notes issued by BAC, such certification as to no beneficial ownership by a U.S. person will only be required for any Asset Transfer Notice delivered prior to the fortieth day after the completion of the distribution of the relevant Tranche;

(f) in the case of MLBV Notes that are sold within the United States or to, or for the account or benefit of, U.S. persons, certify that the beneficial owner of each MLBV Note is a qualified institutional buyer (a "**QIB**") as defined in Rule 144A under the Securities Act ("**Rule 144A**") who is also a qualified purchaser (a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the 1940 Act and the rules thereunder and who has executed an Investor Representation Letter and is otherwise in compliance with Rule 144A; and

(g) authorise the production of such Asset Transfer Notice in any applicable administrative or legal proceedings.

The Asset Transfer Notice may contain certain additional representations and certifications with respect to the Entitlement and/or the beneficial owner of each Note. No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearing System or a Paying Agent as provided above. After delivery of an Asset Transfer Notice, the relevant Holder may not transfer the Notes which are the subject of such notice.

In the case of Notes represented by a Global Note, upon receipt of such notice, the relevant Clearing System, shall verify that the person specified therein as the Holder is the holder of the specified nominal amount of Notes according to its books.

Subject thereto, the relevant Clearing System, will confirm to the Principal Paying Agent or the U.S. Paying Agent, as applicable, the Series number and number of Notes the subject of such notice, the relevant account details (if applicable) and the details for the delivery of the Entitlement in respect of each such Note. Upon receipt of such confirmation, the Principal Paying Agent or the U.S. Paying Agent, as applicable, will inform the Issuer thereof. The relevant Clearing System, will on or before the Maturity Delivery Date or Credit Settlement Date, as the case may be, debit the securities account of the relevant Holder with the Notes the subject of the relevant Asset Transfer Notice.

Failure to properly complete and deliver an Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in the Physical Delivery Note Conditions shall be made, in the case of Notes represented by a Global Note, by the relevant Clearing System, after consultation with the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer and shall be conclusive and binding on the Issuer, (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor and the relevant Holder or in the case of Notes in definitive form, by the relevant Paying Agent after consultation with the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer and shall be conclusive and binding on the Issuer, the Guarantor (if applicable) and the relevant Holder.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of the relevant Clearing System, or the relevant Paying Agent, in each case in consultation with the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above.

The relevant Clearing System or the relevant Paying Agent, as applicable, shall use its best efforts promptly to notify the Holder submitting an Asset Transfer Notice if, in consultation with the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor, the Paying Agents, the relevant Clearing System and the Principal Paying Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

The Entitlement will be delivered at the risk of the relevant Holder, in the manner provided above on the Maturity Date (such date, subject to adjustment in accordance with these Physical Delivery Note Conditions, the "**Maturity Delivery Date**") or, in the case of Credit Linked Notes, in the manner provided above on the Credit Settlement Date, provided that the Asset Transfer Notice is duly delivered to the relevant Clearing System or a Paying Agent, as the case may be, with a copy to the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer, as provided above, not later than the close of business in each place of receipt on the Cut-Off Date.

If an Asset Transfer Notice is delivered to the relevant Clearing System or a Paying Agent, as the case may be, with a copy to the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer, later than the close of business in each place of receipt on the Cut-Off Date, then the Entitlement will be delivered as soon as practicable after the Maturity Date (in which case, such date of delivery shall be the Maturity Delivery Date) or, in the case of Credit Linked Notes, the Credit Settlement Date at the risk of such Holder in the manner provided above. Provided that if in respect of a Note an Asset Transfer Notice is not delivered to the relevant Clearing System or a Paying Agent, as the case may be, with a copy to the Principal Paying Agent or the U.S. Paying Agent, as applicable, and the Issuer, later than the close of business in each place of receipt on the 90th calendar day following the Cut-Off Date the Issuer's obligations in

respect of such Note and (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor's obligations in respect of the MLBV/MLICo. Guarantee in respect of such Note shall be discharged and no further liability in respect thereof shall attach to the Issuer or (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Maturity Delivery Date or the Credit Settlement Date, as the case may be, falling after the originally designated Maturity Delivery Date or Credit Settlement Date, as the case may be, and no liability in respect thereof shall attach to the Issuer or (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor.

Delivery of the Entitlement in respect of the Notes is subject to all applicable laws, regulations and practices in force on the Maturity Delivery Date or the Credit Settlement Date, as the case may be, and none of the Issuer, (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor and any of its Affiliates or agents and the Paying Agents shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer, (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor and any of its Affiliates or agents and the Paying Agents shall under any circumstances be liable for any acts or defaults of the relevant Clearing System in relation to the performance of their duties in relation to the Notes.

For such period of time after the Maturity Delivery Date or Credit Settlement Date, as the case may be, as any person other than the relevant Holder shall continue to be the legal owner of the securities, obligations or Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor nor any other such person shall (a) be under any obligation to deliver or procure delivery to the relevant Holder or any subsequent beneficial owner of such Note any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such securities, obligations or Deliverable Obligations during the Intervening Period or (c) be under any liability to the relevant Holder, or any subsequent beneficial owner of such Note in respect of any loss or damage which the relevant Holder, or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner of such securities, obligations or Deliverable Obligations during such Intervening Period.

Where the Entitlement comprises Shares, any dividend or other distribution in respect of such Entitlement will be payable to the party that would receive such dividend or other distribution according to market practice for a sale of the Share executed on the Maturity Delivery Date and to be delivered in the same manner as the Entitlement. Any such dividend or other distribution to be paid to a Holder shall be paid to the account specified in the relevant Asset Transfer Notice.

Except in the case of Credit Linked Notes, where the Entitlement is, in the determination of the Issuer, an amount other than an amount of Relevant Assets capable of being delivered, the Holders will receive an Entitlement comprising of the nearest number (rounded down) of Relevant Assets capable of being delivered by the Issuer (taking into account that a Holder's entire holding may be aggregated at the Issuer's discretion for the purpose of delivering the Entitlements), and in respect of the amount of Relevant Assets not capable of being delivered, an amount in the Specified Currency which shall be the value of the amount of the Relevant Assets so rounded down, as calculated by the Calculation Agent in its sole discretion from such source(s) as it may select (converted if necessary into the Specified Currency by reference to such exchange rate as the Calculation Agent deems appropriate).

3. **Settlement Disruption Event**

The provisions of this Physical Delivery Note Condition 3 shall apply to Physical Delivery Notes other than Credit Linked Notes.

If, prior to the delivery of the Entitlement in accordance with these Physical Delivery Note Conditions, a Settlement Disruption Event is subsisting, then the Maturity Delivery Date in respect of such Note shall be postponed until the next Settlement Business Day on which no Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Holder, in accordance with Note Condition 14. Such Holder shall not be entitled to any payment, whether of interest or otherwise, on such Note as a result of any delay in the delivery of the Entitlement pursuant to these Physical Delivery Note Conditions. Where delivery of the Entitlement has been postponed as provided in the Physical Delivery Note Conditions the Issuer shall not be in breach of these Conditions and no liability in respect thereof shall attach to the Issuer or (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor.

For so long as delivery of the Entitlement in respect of any Note is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Holder of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election (the "**Election Notice**") is given to the Holders in accordance with Note Condition 14.

4. **Failure to Deliver due to Illiquidity**

The provisions of this Physical Delivery Note Condition 4 shall apply to Physical Delivery Notes other than Credit Linked Notes.

If Failure to Deliver due to Illiquidity is specified as applying in the applicable Final Terms and, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets comprising the Entitlement (the "**Affected Relevant Assets**"), where such failure to deliver is due to illiquidity in the market for the Relevant Assets (a "**Failure to Deliver due to Illiquidity**"), then:

(a) subject as provided elsewhere in the Physical Delivery Note Conditions and/or the applicable Final Terms, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Maturity Delivery Date in accordance with the Physical Delivery Note Conditions; and

(b) in respect of any Affected Relevant Assets, notwithstanding any other provision hereof, the Issuer may elect in its sole discretion, in lieu of delivery of the Affected Relevant Assets, to pay to the relevant Holder the Failure to Deliver Settlement Price (as defined below) on the fifth Business Day following the date the Failure to Deliver Notice (as defined below) is given to the Holders in accordance with Note Condition 14. The Issuer shall give notice (such notice a "**Failure to Deliver Notice**") as soon as reasonably practicable to the Holders in accordance with Note Condition 14 that the provisions of this Physical Delivery Note Condition 4 apply.

5. **Option to Vary Settlement**

The provisions of this Physical Delivery Note Condition 5 shall apply to Physical Delivery Notes other than Credit Linked Notes.

If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Notes, the Issuer may at its sole and unfettered discretion in respect of each such Note, elect not to pay the relevant Holders the Final Redemption Amount or to deliver or procure delivery of the Entitlement to the relevant Holders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Final Redemption Amount on the Maturity Date to the relevant Holders, as the case may be. Notification of such election will be given to Holders in accordance with Note Condition 14.

6. **Additional Provisions for Credit Linked Notes**

The provisions of this Physical Delivery Note Condition 6 shall apply to Credit Linked Notes.

In relation to each Deliverable Obligation constituting the Entitlement the Issuer or (in the case of Notes (other than Secured Notes) issued by MLBV) the Guarantor, as applicable, will Deliver or procure the Delivery of the relevant Deliverable Obligation as provided in Physical Delivery Note Condition 2 on the Credit Settlement Date, provided that if all or some of the Deliverable Obligations included in the Entitlement are Undeliverable Obligations and/or Hedge Disruption Obligations, then the Issuer shall continue to attempt to Deliver all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, on or before the 30th Business Day following the Credit Settlement Date (the "**Final Delivery Date**"), provided further that if all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, are not Delivered by the Final Delivery Date, the provisions of Credit Linked Note Condition 9 shall apply.

7. **Definitions**

For the purposes of these Physical Delivery Note Conditions:

"**Clearing System**" means DTC, Euroclear and/or Clearstream, Luxembourg, as the context requires.

"**Disruption Cash Settlement Price**" means, in respect of each nominal amount of Notes equal to the Calculation Amount, an amount equal to the fair market value of such Notes (but not taking into account any interest accrued on such Note and paid pursuant to Note Condition 5 and Note Condition 6) on such day as shall be selected by the Issuer in its sole and absolute discretion provided that such day is not more than 15 calendar days before the date that the Election Notice is given as provided above less the cost to the Issuer and/or its Affiliates or agents of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), all as calculated by the Calculation Agent in its sole and absolute discretion.

"**Entitlement**" means, in relation to a Physical Delivery Note (other than a Credit Linked Note), the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Maturity Delivery Date in respect of each such Note following payment of the Expenses, which quantity will be rounded down as provided in Physical Delivery Note Condition 2, as determined by the Calculation Agent and includes any documents evidencing such Entitlement.

"**Failure to Deliver Settlement Price**" means, in respect of each nominal amount of the Notes equal to the Calculation Amount, the fair market value of the Affected Relevant Assets in respect of such Notes on the fifth Business Day prior to the date on which the Failure to Deliver Notice is given as provided above, less the cost to the Issuer and/or its Affiliates or agents of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), all as calculated by the Calculation Agent in its sole and absolute discretion.

"**Settlement Disruption Event**" means an event beyond the control of the Issuer or (in the case of Notes (other than Secured Notes) issued by MLBV), if applicable, the Guarantor, as a result of which, in the opinion of the Calculation Agent or, if applicable, the Guarantor, delivery of the Entitlement by or on behalf of the Issuer or the Guarantor, as the case may be, in accordance with the Physical Delivery Note Conditions and/or the applicable Final Terms is not practicable.

ANNEX 11A

ADDITIONAL TERMS AND CONDITIONS FOR RULE 144A NOTES

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes represented by a Rule 144A Global Note or a Regulation S/Rule 144A Global Note shall comprise the terms and conditions of the Notes (the "**Notes Conditions**"), the Additional Terms and Conditions for Rule 144A Notes set out below (the "**Rule 144A Note Conditions**") and any other additional terms and conditions as may relate to the particular Series of Rule 144A Notes and specified as applicable in the applicable Final Terms, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (a) the Notes Conditions and (b) the Rule 144A Note Conditions, the Rule 144A Note Conditions shall prevail. In the event of any inconsistency between (a) the Notes Conditions and/or the Rule 144A Note Conditions and (b) the applicable Final Terms, the applicable Final Terms will prevail.

Any reference herein to Euroclear and/or Clearstream, Luxembourg or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Paying Agent from time to time and notified to the Holders in accordance with Notes Condition 14 (*Notices*).

Any reference in the Note Conditions to "Global Note" shall, whenever the context so permits, be deemed to include a reference to a Regulation S/Rule 144A Global Note or a Rule 144A Global Note.

2. **Form**

Notes in registered form may be offered and sold in private transactions exclusively in the United States or to, or for the account or benefit of, U.S. persons ("**Rule 144A Global Note**") in reliance on Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), only to persons who are "qualified institutional buyers" (as defined in Rule 144A) ("QIBs") and who are also each a "qualified purchaser" (each a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"), and the rules thereunder, and who, as a condition to purchasing such Notes will enter into and remain in compliance with an Investor Representation Letter for the benefit of the Dealer, the Issuer and the Guarantor (together with their respective affiliates and any persons controlling, controlled by or under common control with such Dealer, Issuer or Guarantor) in which they represent and agree, among other things, to purchase such Notes for their own account and not with a view to the distribution thereof (each letter, for the benefit of such parties, an "**Investor Representation Letter**"). If specified in the applicable Final Terms, Notes in registered form may be offered and sold concurrently (a) in the United States or to, or for the account or benefit of, U.S. persons, in each case in reliance on Rule 144A to persons who are QIBs and who are also each a QP, and who, as a condition to purchasing the Notes will enter into and remain in compliance with an Investor Representation Letter and (b) outside the United States to non-U.S. persons in an offshore transaction pursuant to Regulation S under the Securities Act ("**Regulation S/Rule 144A Global Note**").

Interests in a Rule 144A Global Note or a Regulation S/Rule 144A Global Note will be exchangeable, in whole but not in part, for Notes in definitive registered form ("**Definitive Registered Notes**") only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (a) in the case of Notes represented by a Rule 144A Global Note held through DTC, either DTC has notified the Issuer that it is unwilling or unable to continue as a depositary for that Rule 144A Global Note held through DTC and no alternative clearing system is available, or DTC has ceased to be a "clearing agency" registered under the U.S. Securities Exchange Act of 1934, as amended, and no alternative clearing system is available, (b) in the case of Notes registered in the name of a nominee of the Common Depositary, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done

so and, in any such case, no successor clearing system is available or (c) the Issuer or (if applicable) the Guarantor has or will become subject to adverse tax consequences which would not be suffered were the Notes held in definitive form. The Issuer will give notice of any such Exchange Event to the Holders in accordance with Notes Condition 14 (*Notices*). In the event that Definitive Registered Notes are issued in exchange for interests in a Global Note, such Definitive Registered Notes shall bear, and be subject to, the relevant legend described in the Offering Circular under "Notice to Purchasers and Holders of Instruments and Transfer Restrictions."

3. **Definitions**

For the purposes of these Rule 144A Note Conditions:

"**Brussels Business Day**" means a day (other than Saturday or Sunday) on which commercial banks are open for general business in Brussels.

"**Clearing System**" means DTC, Euroclear and/or Clearstream, Luxembourg, as the context requires.

"**Global Note**" means a Rule 144A Global Note or Regulation S/Rule 144A Global Note.

"**Luxembourg Business Day**" means a day (other than Saturday or Sunday) on which commercial banks are open for general business in Luxembourg.

"**New York Business Day**" means a day (other than Saturday or Sunday) on which commercial banks are open for general business in New York City.

4. **Title**

In the case of Notes represented by a Rule 144A Global Note held through DTC, the Rule 144A Global Note will be registered in the name of Cede & Co., as nominee of DTC, and will be held by the U.S. Paying Agent as custodian for DTC. In the case of Notes represented by a Regulation S/Rule 144A Global Note or a Rule 144A Global Note held through Euroclear and/or Clearstream, Luxembourg, such Notes will be registered in the name of a nominee for, and will be deposited with, the Common Depositary.

Subject to mandatory rules of law, title to Rule 144A Global Notes and Regulation S/Rule 144A Global Notes will pass by registration of the transfer in the Register maintained by the U.S. Paying Agent or the Registrar, as applicable, in accordance with the provisions of the English Law Agency Agreement. Beneficial ownership of interests in a Rule 144A Global Note or a Regulation S/Rule 144A Global Note will be determined in accordance with the rules and procedures of DTC, Euroclear or Clearstream, Luxembourg, as applicable.

Subject as set forth in this Rule 144A Note Condition 4, each person who is for the time being shown in the records of DTC as the holder of a particular number of Notes represented by a Rule 144A Global Note shall be treated by the Issuer, (if applicable) the Guarantor and any Paying Agent as the holder of such number of such Notes for all purposes (and the expressions "**Holder**" and "**holder of Notes**" and related expressions shall be construed accordingly). For as long as the Notes are represented by a Global Note held through Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular number of Notes (in which regard any certificate or other document issued by such Clearing System as to the number of 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, (if applicable) the Guarantor or the Registrar and any relevant Paying Agent as the holder of such number of Notes for all purposes (and the expressions "**Holder**" and "**holder of Notes**" and related expressions shall be construed accordingly).

5. **Transfers**

(a) Transfers of Notes represented by a Global Note may only be made in accordance with any applicable rules and regulations of the U.S. Paying Agent, DTC, Euroclear and/or Clearstream, Luxembourg, and the following provisions:

(i) any sales, transfers to or exchanges with a person who takes delivery in the form of Notes represented by a Regulation S/Rule 144A Global Note may only be made if such sale, transfer or exchange is being made either (x) if the transferor is a non-U.S. person, between or among non-U.S. persons in an offshore transaction pursuant to Regulation S under the Securities Act or (y) if the transferor is a U.S. person, by U.S. persons to or through the Issuer or the Dealer (I) in the United States to a QIB who is also a QP or (II) to, or for the account or benefit of, a U.S. person who is a QIB and who is also a QP, in either case of (I) or (II), who is acquiring such Notes in a transaction meeting the requirements of Rule 144A, and who enters into and remains in compliance with an Investor Representation Letter; or

(ii) any sales, transfers to or exchanges with a person who takes delivery in the form of Notes represented by a Rule 144A Global Note may only be made if such sale, transfer or exchange is being made to or through the Issuer or the Dealer (x) in the United States to a QIB who is also a QP or (y) to, or for the account or benefit of, a U.S. person who is a QIB and who is also a QP, in either case, who is acquiring such Notes in a transaction meeting the requirements of Rule 144A, and who enters into and remains in compliance with an Investor Representation Letter.

(b) All transactions (which transactions shall include transfers of Notes represented by a Rule 144A Global Note or a Regulation S/Rule 144A Global Note, and transfers of Notes in definitive form) (a) to a person in the United States or (b) to, or for the account or benefit of, a U.S. person, in either case who is a QIB and also a QP and, who takes delivery of Notes represented by a Rule 144A Global Note or a Regulation S/Rule 144A Global Note in the open market or otherwise may only be effected to or through the Issuer or the Dealer, and shall only be effective if, as a condition to such transfer of the Notes, the transferee enters into and remains in compliance with an Investor Representation Letter (which must be duly executed and delivered by such proposed transferee or such transferee's attorney duly authorised in writing at least three New York Business Days prior to the date the transfer of such Notes is desired).

(c) In the case of sales, transfers or exchanges of Global Notes, the Holder must send:

(i) (in the case of Notes represented by a Regulation S/Rule 144A Global Note or Rule 144A Global Note held through Euroclear and/or Clearstream, Luxembourg) to Euroclear and/or Clearstream, Luxembourg, as the case may be, a free of payment instruction not later than 10.00 a.m. (Brussels or Luxembourg time, as the case may be) one Brussels Business Day or Luxembourg Business Day, as the case may be, prior to the date on which the sale, transfer or exchange is to take effect; and

(ii) (in the case of Notes represented by a Rule 144A Global Note held through DTC) to DTC a free of payment instruction at least two New York Business Days prior to the date on which the sale, transfer or exchange is to take effect.

In the case of a transfer, separate payment arrangements are required to be made between the transferor and the transferee.

On the sale, transfer or exchange date, Euroclear or Clearstream, Luxembourg, or DTC, as the case may be, (a) will debit the account of its participant and (b) will instruct (i), in the case of sales, transfers to or exchanges with a person who takes delivery of Notes represented by a Regulation S/Rule 144A Global Note or a Rule 144A Global Note held through Euroclear and/or Clearstream, Luxembourg, the Principal Paying Agent to credit the relevant account of Euroclear or Clearstream, Luxembourg participant, as the case may be, or (ii) in the case of sales, transfers to or exchanges with a person who takes

delivery of Notes represented by a Rule 144A Global Note held through DTC, the U.S. Paying Agent to credit the relevant account of the DTC participant.

(d) No beneficial owner of a Rule 144A Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear or Clearstream, Luxembourg, as applicable. A beneficial interest in a Rule 144A Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Notes in definitive form only (a) upon the occurrence of an Exchange Event, (b) in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the case may be, and (c) in accordance with the terms and conditions specified in the English Law Agency Agreement. Transfers of a Rule 144A Global Note held through DTC shall be limited to transfers of such Rule 144A Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee. For so long as the Notes are represented by a Regulation S/Rule 144A Global Note or a Rule 144A Global Note held through Euroclear or Clearstream, Luxembourg, all permitted transfers of such Notes must be effected through an account at Euroclear or Clearstream, Luxembourg.

(e) Subject as provided in these Rule 144A Note Conditions, upon the terms and subject to the conditions set forth in the English Law Agency Agreement, a Note in definitive form may be transferred in whole or in part. In order to effect any such transfer, (i) the holder or holders must (A) surrender the Note for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of the U.S. Paying Agent or the Principal Paying Agent, as applicable, with a form of transfer duly completed and executed by the person shown as the registered holder on the Register, or its attorney duly authorised in writing and (B) complete and deposit such other certifications or evidence as may be required by the U.S. Paying Agent or the Principal Paying Agent, as applicable, the Issuer or (if applicable) the Guarantor and (ii) the U.S. Paying Agent or the Principal Paying Agent, as applicable, must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer, (if applicable) the Guarantor and the U.S. Paying Agent or the Principal Paying Agent, as applicable, may from time to time prescribe. Subject to the provisions above, the U.S. Paying Agent or the Principal Paying Agent, as applicable, will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the U.S. Paying Agent or the Principal Paying Agent, as applicable, is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new certificate representing such Note in definitive form of the same aggregate amount of the Note (or the relevant part of the Note) transferred. In the case of the transfer of part only of a Note in definitive form, a new certificate representing such Note in definitive form in respect of the balance of the Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor. The U.S. Paying Agent or the Principal Paying Agent, as applicable, shall record such transfer, and make appropriate notations, in the Register to reflect such transfer.

(f) Any attempted sale, transfer or exchange in which the proposed sale, transfer or exchange was not effected in accordance with the foregoing procedures shall not be valid or binding on the Issuer or (if applicable) the Guarantor. In addition, if any Paying Agent subsequently determines or is subsequently notified by the Issuer that (i) a sale, transfer or exchange, or attempted or purported sale, transfer or exchange, of any interest in a Note was consummated on the basis of an incorrect certification from the transferee or purported transferee as set forth in the relevant Investor Representation Letter, (ii) the holder of any interest in a Note was in breach, at the time given, of any representation or agreement set forth in any Investor Representation Letter or any deemed representation or agreement of such holder, or (iii) a sale, transfer or exchange, or attempted sale, transfer or exchange, of any interest in a Note was consummated which did not comply with the transfer restrictions set forth in this Rule 144A Note Condition 5 the purported transfer shall be absolutely null and void *ab initio* and shall vest no rights in the purported

transferee (such purported transferee, a "**Disqualified Transferee**") and the last preceding holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a holder thereof retroactively to the date of transfer of such interest by such holder or the Issuer may require such Disqualified Transferee to sell or transfer such interest to a permitted transferee meeting the requirements above.

No further liability in respect thereof shall attach to the Issuer or (if applicable) the Guarantor.

6. **Repurchases**

Rule 144A Notes purchased by the Issuer, (if applicable) the Guarantor or any of their Affiliates pursuant to Notes Condition 7 (*Redemption, Repayment and Repurchase*) may only be held, or reissued or resold pursuant to Rule 144A or Regulation S, as applicable, or surrendered to the U.S. Paying Agent for cancellation.

7. **U.S. Paying Agent**

The Issuer and (if applicable) the Guarantor reserve the right at any time to vary or terminate the appointment of the U.S. Paying Agent and to appoint further or additional Paying Agents as provided in Notes Condition 13 (*Paying Agents, Registrar and Calculation Agent*), provided that, so long as any of the Notes are represented by a Rule 144A Global Note held through DTC, there shall be a U.S. Paying Agent.

8. **Notices**

For so long as the Notes are represented by a Rule 144A Global Note held through DTC, the references in Notes Condition 14 (*Notices*) to " Euroclear and/or Clearstream, Luxembourg" shall be replaced by "DTC".

ANNEX 11B

ADDITIONAL TERMS AND CONDITIONS FOR RULE 144A W&C INSTRUMENTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to W&C Instruments represented by a Rule 144A Global Warrant, a Rule 144A Global Certificate or a Regulation S/Rule 144A Global W&C Instrument shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**"), the Additional Terms and Conditions for Rule 144A W&C Instruments set out below (the "**Rule 144A W&C Instruments Conditions**") and any other additional terms and conditions as may relate to the particular Series of Rule 144A W&C Instruments and specified as applicable in the applicable Final Terms, in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (a) the W&C Instruments Conditions and (b) the Rule 144A W&C Instruments Conditions, the Rule 144A W&C Instruments Conditions shall prevail. In the event of any inconsistency between (a) the W&C Instruments Conditions and/or the Rule 144A W&C Instruments Conditions and (b) the applicable Final Terms, the applicable Final Terms will prevail.

Any reference herein to Euroclear and/or Clearstream, Luxembourg or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Instrument Agent from time to time and notified to the Holders in accordance with W&C Instruments Condition 12 (*Notices*).

Any reference in the W&C Instrument Conditions to (a) "Global Warrant" shall, whenever the context so permits, be deemed to include a reference to a Regulation S/Rule 144A Global Warrant or a Rule 144A Global Warrant and (b) "Global Certificate" shall, whenever the context permits, be deemed to include a reference to a Regulation S/Rule 144A Global Certificate or a Rule 144A Global Certificate.

2. **Form**

W&C Instruments in registered form may be offered and sold in private transactions exclusively in the United States or to, or for the account or benefit of, U.S. persons ("**Rule 144A Global W&C Instrument**") in reliance on Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), only to persons who are "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") and who are also each a "qualified purchaser" (each a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"), and the rules thereunder, and who, as a condition to purchasing such W&C Instruments will enter into and remain in compliance with an Investor Representation Letter for the benefit of the Dealer, the Issuer and the Guarantor (together with their respective affiliates and any persons controlling, controlled by or under common control with such Dealer, Issuer or Guarantor) in which they represent and agree, among other things, to purchase such W&C Instruments for their own account and not with a view to the distribution thereof (each letter, for the benefit of such parties, an "**Investor Representation Letter**"). If specified in the applicable Final Terms, W&C Instruments in registered form may be offered and sold concurrently (a) in the United States or to, or for the account or benefit of, U.S. persons, in each case in reliance on Rule 144A to persons who are QIBs and who are also each a QP, and who, as a condition to purchasing the W&C Instruments will enter into and remain in compliance with an Investor Representation Letter and (b) outside the United States to non-U.S. persons in an offshore transaction pursuant to Regulation S under the Securities Act ("**Regulation S/Rule 144A Global W&C Instrument**").

Interests in a Rule 144A Global W&C Instrument or a Regulation S/Rule 144A Global W&C Instrument will be exchangeable, in whole but not in part, for W&C Instruments in definitive registered form ("**Definitive Registered W&C Instruments**") only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (a) in the case of W&C Instruments represented by a Rule 144A Global W&C Instrument held through DTC, either DTC has notified the Issuer that it is unwilling or unable to continue as a depositary for that Rule 144A Global W&C Instrument held through DTC and no alternative clearing system is

available, or DTC has ceased to be a "clearing agency" registered under the U.S. Securities Exchange Act of 1934, as amended, and no alternative clearing system is available, (b) in the case of W&C Instruments registered in the name of a nominee of the Common Depositary, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (c) the Issuer or (if applicable) the Guarantor has or will become subject to adverse tax consequences which would not be suffered were the W&C Instruments held in definitive form. The Issuer will give notice of any such Exchange Event to the Holders in accordance with W&C Instruments Condition 12 (*Notices*). In the event that Definitive Registered W&C Instruments are issued in exchange for interests in a Global W&C Instrument, such Definitive Registered W&C Instruments shall bear, and be subject to, the relevant legend described in the Offering Circular under "Notice to Purchasers and Holders of Instruments and Transfer Restrictions".

3. **Definitions**

For the purposes of these Rule 144A W&C Instruments Conditions:

"**Brussels Business Day**" means a day (other than Saturday or Sunday) on which commercial banks are open for general business in Brussels.

"**Clearing System**" means DTC, Euroclear and/or Clearstream, Luxembourg, as the context requires.

"**Global W&C Instrument**" means a Rule 144A Global W&C Instrument or Regulation S/Rule 144A Global W&C Instrument.

"**Luxembourg Business Day**" means a day (other than Saturday or Sunday) on which commercial banks are open for general business in Luxembourg.

"**New York Business Day**" means a day (other than Saturday or Sunday) on which commercial banks are open for general business in New York City.

"**Regulation S/Rule 144A Global Certificate**" means a Certificate sold (a) pursuant to Rule 144A (i) to persons in the United States who are QIBs and QPs or (ii) to or for the account or benefit of U.S. persons who are QIBs and also QPs and (b) in either case, concurrently outside the United States to non-U.S. persons pursuant to Regulation S and represented by a global registered certificate deposited with, and registered in the name of a nominee for, the Common Depositary.

"**Rule 144A Global Certificate**" means a Certificate sold (a) to persons in the United States who are QIBs and QPs or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs and represented by a global registered certificate either (i) deposited with the U.S. Certificate Agent as a custodian for, and registered in the name of a nominee of, DTC; or (ii) deposited with, and registered in the name of a nominee of, the Common Depositary.

"**Regulation S/Rule 144A Global Warrant**" means a Warrant sold (a) pursuant to Rule 144A (i) to persons in the United States who are QIBs and QPs or (ii) to or for the account or benefit of U.S. persons who are QIBs and also QPs and (b) in either case, concurrently outside the United States to non-U.S. persons pursuant to Regulation S and represented by a global registered warrant deposited with, and registered in the name of a nominee for, the Common Depositary.

"**Rule 144A Global Warrant**" means a Warrant sold (a) to persons in the United States who are QIBs and QPs or (b) to, or for the account or benefit of, U.S. persons who are QIBs and also QPs and represented by a global registered warrant either (i) deposited with the U.S. Warrant Agent as a custodian for, and registered in the name of a nominee of, DTC; or (ii) deposited with, and registered in the name of a nominee of, the Common Depositary.

4. **Title**

In the case of W&C Instruments represented by a Rule 144A Global W&C Instrument held through DTC, the Rule 144A Global W&C Instrument will be registered in the name of Cede & Co., as nominee of DTC, and will be held by the U.S. Warrant Agent or the U.S. Certificate Agent, as the case may be, as custodian for DTC. In the case of W&C Instruments represented by a Regulation S/Rule 144A Global W&C Instrument or a Rule 144A Global W&C Instrument held through Euroclear or Clearstream, Luxembourg, such W&C Instruments will be registered in the name of a nominee for, and will be deposited with, the Common Depositary.

Subject to mandatory rules of law, title to Rule 144A Global W&C Instruments and Regulation S/Rule 144A Global W&C Instruments will pass by registration of the transfer in the Register maintained by the U.S. Warrant Agent, the U.S. Certificate Agent or the Registrar, as applicable, in accordance with the provisions of the English Law Agency Agreement. Beneficial ownership of interests in a Rule 144A Global W&C Instrument or a Regulation S/Rule 144A Global W&C Instrument will be determined in accordance with the rules and procedures of DTC, Euroclear or Clearstream, Luxembourg, as applicable.

Subject as set forth in this Rule 144A W&C Instruments Conditions 4, each person who is for the time being shown in the records of DTC as the holder of a particular number of W&C Instruments represented by a Rule 144A Global W&C Instrument shall be treated by the Issuer, (if applicable) the Guarantor and any W&C Instrument Agent as the holder of such number of such W&C Instruments for all purposes (and the expressions "**Holder**" and "**holder of W&C Instruments**" and related expressions shall be construed accordingly). For as long as the W&C Instruments are represented by a Global W&C Instrument held through Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular number of W&C Instruments (in which regard any certificate or other document issued by such Clearing System as to the number of W&C Instruments 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, (if applicable) the Guarantor or the Registrar and any relevant W&C Instrument Agent as the holder of such number of W&C Instruments for all purposes (and the expressions "**Holder**" and "**holder of W&C Instruments**" and related expressions shall be construed accordingly).

5. **Transfers**

(a) Transfers of W&C Instruments represented by a Global W&C Instrument may only be made in accordance with any applicable rules and regulations of the U.S. Warrant Agent, the U.S. Certificate Agent, DTC, Euroclear and/or Clearstream, Luxembourg, and the following provisions:

(i) any sales, transfers to or exchanges with a person who takes delivery in the form of W&C Instruments represented by a Regulation S/Rule 144A Global W&C Instrument may only be made if such sale, transfer or exchange is being made either (x) if the transferor is a non-U.S. person, between or among non-U.S. persons in an offshore transaction pursuant to Regulation S under the Securities Act or (y) if the transferor is a U.S. person, by U.S. persons to or through the Issuer or the Dealer (I) in the United States to a QIB who is also a QP or (II) to, or for the account or benefit of, a U.S. person who is a QIB and who is also a QP, in either case of (I) or (II), who is acquiring such W&C Instruments in a transaction meeting the requirements of Rule 144A, and who enters into and remains in compliance with an Investor Representation Letter; or

(ii) any sales, transfers to or exchanges with a person who takes delivery in the form of W&C Instruments represented by a Rule 144A Global W&C Instrument may only be made if such sale, transfer or exchange is being made to or through the Issuer or the Dealer (x) in the United States to a QIB who is also a QP or (y) to, or for the account or benefit of, a U.S. person who is a QIB and who is also a QP, in either case, who is acquiring such W&C Instruments in a transaction meeting the requirements of Rule 144A, and who enters into and remains in compliance with an Investor Representation Letter.

(b) All transactions (which transactions shall include transfers of W&C Instruments represented by a Rule 144A Global W&C Instrument or a Regulation S/Rule 144A Global W&C Instrument, and transfers of W&C Instruments in definitive form) (a) to a person in the United States or (b) to, or for the account or benefit of, a U.S. person, in either case who is a QIB and also a QP and, who takes delivery of W&C Instruments represented by a Rule 144A Global W&C Instrument or a Regulation S/Rule 144A Global W&C Instrument in the open market or otherwise may only be effected to or through the Issuer or the Dealer, and shall only be effective if, as a condition to such transfer of the W&C Instruments, the transferee enters into and remains in compliance with an Investor Representation Letter (which must be duly executed and delivered by such proposed transferee or such transferee's attorney duly authorised in writing at least three New York Business Days prior to the date the transfer of such W&C Instruments is desired).

(c) In the case of sales, transfers or exchanges of Global W&C Instruments, the Holder must send:

(i) (in the case of W&C Instruments represented by a Regulation S/Rule 144A Global W&C Instrument or Rule 144A Global W&C Instrument held through Euroclear and/or Clearstream, Luxembourg) to Euroclear and/or Clearstream, Luxembourg, as the case may be, a free of payment instruction not later than 10.00 a.m. (Brussels or Luxembourg time, as the case may be) one Brussels Business Day or Luxembourg Business Day, as the case may be, prior to the date on which the sale, transfer or exchange is to take effect; and

(ii) (in the case of W&C Instruments represented by a Rule 144A Global W&C Instrument held through DTC) to DTC a free of payment instruction at least two New York Business Days prior to the date on which the sale, transfer or exchange is to take effect.

In the case of a transfer, separate payment arrangements are required to be made between the transferor and the transferee.

On the sale, transfer or exchange date, Euroclear or Clearstream, Luxembourg, or DTC, as the case may be, (a) will debit the account of its participant and (b) will instruct (i), in the case of sales, transfers to or exchanges with a person who takes delivery of W&C Instruments represented by a Regulation S/Rule 144A Global W&C Instrument or a Rule 144A Global W&C Instrument held through Euroclear and/or Clearstream, Luxembourg, the Principal Instrument Agent to credit the relevant account of Euroclear or Clearstream, Luxembourg participant, as the case may be, or (ii) in the case of sales, transfers to or exchanges with a person who takes delivery of W&C Instruments represented by a Rule 144A Global W&C Instrument held through DTC, the U.S. Warrant Agent or U.S. Certificate Agent, as the case may be, to credit the relevant account of the DTC participant.

(d) No beneficial owner of a Rule 144A Global W&C Instrument will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear or Clearstream, Luxembourg, as applicable. A beneficial interest in a Rule 144A Global W&C Instrument will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for W&C Instruments in definitive form only (a) upon the occurrence of an Exchange Event, (b) in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the case may be, and (c) in accordance with the terms and conditions specified in the English Law Agency Agreement. Transfers of a Rule 144A Global W&C Instrument held through DTC shall be limited to transfers of such Rule 144A Global W&C Instrument, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee. For so long as the W&C Instruments are represented by a Regulation S/Rule 144A Global W&C Instrument or a Rule 144A Global W&C Instrument held through Euroclear or Clearstream, Luxembourg, all permitted transfers of such W&C Instruments must be effected through an account at Euroclear or Clearstream, Luxembourg.

(e) Subject as provided in these Rule 144A W&C Instruments Conditions, upon the terms and subject to the conditions set forth in the English Law Agency Agreement, a W&C Instrument in definitive form may be transferred in whole or in part. In order to effect any such transfer, (i) the holder or holders must (A) surrender the W&C Instrument for registration of the transfer of the W&C Instrument (or the relevant part of the W&C Instrument) at the specified office of the U.S. Warrant Agent, the U.S. Certificate Agent or the Principal Instrument Agent, as applicable, with a form of transfer duly completed and executed by the person shown as the registered holder on the Register, or its attorney duly authorised in writing and (B) complete and deposit such other certifications or evidence as may be required by the U.S. Warrant Agent, the U.S. Certificate Agent or the Principal Instrument Agent, as applicable, the Issuer or (if applicable) the Guarantor and (ii) the U.S. Warrant Agent, the U.S. Certificate Agent or the Principal Instrument Agent, as applicable, must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer, (if applicable) the Guarantor and the U.S. Warrant Agent, the U.S. Certificate Agent or the Principal Instrument Agent, as applicable, may from time to time prescribe. Subject to the provisions above, the U.S. Warrant Agent, the U.S. Certificate Agent or the Principal Instrument Agent, as applicable, will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the U.S. Warrant Agent, the U.S. Certificate Agent or the Principal Instrument Agent, as applicable, is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new certificate representing such W&C Instrument in definitive form of the same aggregate amount of the W&C Instrument (or the relevant part of the W&C Instrument) transferred. In the case of the transfer of part only of a W&C Instrument in definitive form, a new certificate representing such W&C Instrument in definitive form in respect of the balance of the W&C Instrument not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor. The U.S. Warrant Agent, the U.S. Certificate Agent or the Principal Instrument Agent, as applicable, shall record such transfer, and make appropriate notations, in the Register to reflect such transfer.

(f) Any attempted sale, transfer or exchange in which the proposed sale, transfer or exchange was not effected in accordance with the foregoing procedures shall not be valid or binding on the Issuer or (if applicable) the Guarantor. In addition, if any W&C Instrument Agent subsequently determines or is subsequently notified by the Issuer that (i) a sale, transfer or exchange, or attempted or purported sale, transfer or exchange, of any interest in a W&C Instrument was consummated on the basis of an incorrect certification from the transferee or purported transferee as set forth in the relevant Investor Representation Letter, (ii) the holder of any interest in a W&C Instrument was in breach, at the time given, of any representation or agreement set forth in any Investor Representation Letter or any deemed representation or agreement of such holder, or (iii) a sale, transfer or exchange, or attempted sale, transfer or exchange, of any interest in a W&C Instrument was consummated which did not comply with the transfer restrictions set forth in this Rule 144A W&C Instruments Condition 5 the purported transfer shall be absolutely null and void *ab initio* and shall vest no rights in the purported transferee (such purported transferee, a "**Disqualified Transferee**") and the last preceding holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a holder thereof retroactively to the date of transfer of such interest by such holder or the Issuer may require such Disqualified Transferee to sell or transfer such interest to a permitted transferee meeting the requirements above.

6. **Exercise Rights**

(a) *American Style Warrants*

If Automatic Exercise is not specified in the applicable Final Terms, in the case of American Style Warrants represented by a Rule 144A Global Warrant held through DTC with respect to which no Exercise Notice has been delivered in the manner set out in

Rule 144A Warrant Condition 7 (*Exercise Procedure in respect of Warrants*), at or prior to 5.00 p.m., New York City time, on the New York Business Day immediately preceding the Expiration Date, such American Style Warrant shall become void.

If Automatic Exercise is specified in the applicable Final Terms, in the case of American Style Warrants represented by a Rule 144A Global Warrant held through DTC in the event that:

(i) no Exercise Notice has been delivered in the manner set out in Rule 144A Warrant Condition 7 (*Exercise Procedure in respect of Warrants*), at or prior to 5.00 p.m., New York City time, on the New York Business Day immediately preceding the Expiration Date and

(ii) it is, in the determination of the Calculation Agent, "In-The-Money",

such American Style Warrant shall be automatically exercised on the Expiration Date. Payment or delivery of the Entitlement is subject to the delivery of a duly completed Exercise Notice as set forth in Rule 144A Warrant Condition 8 (*Automatic Exercise in respect of Warrants*). In such event, the provisions of Rule 144A Warrant Condition 8 (*Automatic Exercise in respect of Warrants*) shall apply.

In the case of American Style Warrants represented by a Rule 144A Global Warrant held through DTC, (a) the Exercise Business Day immediately succeeding the New York Business Day on which an Exercise Notice is received prior to 5.00 p.m., New York City time, by the U.S. Warrant Agent and a copy thereof is delivered to Merrill Lynch International or BofA Securities Europe SA, as the case may be, and the Principal Warrant Agent, or (b) if Automatic Exercise is specified in the applicable Final Terms and the Warrants are automatically exercised on the Expiration Date as provided above, such Expiration Date is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by the U.S. Warrant Agent, or if a copy thereof is delivered to Merrill Lynch International or BofA Securities Europe SA, as the case may be, and the Principal Warrant Agent after 5.00 p.m., New York City time, on any New York Business Day, such Exercise Notice will be deemed to have been given on the next New York Business Day and the Exercise Business Day immediately succeeding such next New York Business Day shall be deemed to be the Actual Exercise Date; provided that any such Warrants in respect of which no Exercise Notice has been delivered in the manner set out in Rule 144A Warrant Condition 7 (*Exercise Procedure in respect of Warrants*), at or prior to 5.00 p.m., New York City time, on the New York Business Day immediately preceding the Expiration Date shall (i) if Automatic Exercise is not specified in the applicable Final Terms, become void or (ii), if Automatic Exercise is specified in the applicable Final Terms, be automatically exercised or expire on the Expiration Date as provided above and in Rule 144A Warrant Condition 8 (*Automatic Exercise in respect of Warrants*).

In the case of American Style Warrants represented by a Rule 144A Warrant held through Euroclear or Clearstream, Luxembourg or a Regulation S/Rule 144 Warrant, the provisions of W&C Instruments Condition 24 (*Exercise Rights (Warrants)*) shall apply.

(b) *European Style Warrants*

If Automatic Exercise is not specified in the applicable Final Terms, in the case of European Style Warrants represented by a Rule 144A Global Warrant held through DTC with respect to which no Exercise Notice has been delivered in the manner set out in Rule 144A Warrant Condition 7 (*Exercise Procedure in respect of Warrants*), at or prior to 5.00 p.m., New York City time, on the New York Business Day immediately preceding the Actual Exercise Date, such European Style Warrant shall become void.

If Automatic Exercise is specified in the applicable Final Terms, in the case of European Style Warrants represented by a Rule 144A Global Warrant held through DTC with respect to which no Exercise Notice has been delivered in the manner set out in Rule 144A Warrant Condition 7 (*Exercise Procedure in respect of Warrants*), at or prior to

5.00 p.m., New York City time, on the New York Business Day immediately preceding the Actual Exercise Date and which is, in the determination of the Calculation Agent "In-The-Money", such European Style Warrants shall be automatically exercised on the Actual Exercise Date and the provisions of Rule 144A Warrant Condition 8 (*Automatic Exercise in respect of Warrants*) shall apply.

The expressions "exercise", "due exercise" and related expressions shall be construed to apply to any Warrants which are automatically exercised on the Actual Exercise Date in accordance with this provision.

In the case of European Style Warrants represented by a Rule 144A Global Warrant held through Euroclear or Clearstream, Luxembourg or a Regulation S/Rule 144A Warrant, the provisions of W&C Instruments Condition 24 (*Exercise Rights (Warrants)*) shall apply.

(c) *Certificates*

Certificates represented by a Regulation S/Rule 144A Global Certificate or a Rule 144A Global Certificate shall be exercised automatically on the Actual Exercise Date in accordance with W&C Instruments Condition 31(A) (*Certificates other than Credit Linked Certificates*) (other than Credit Linked Certificates which shall be exercisable in accordance with W&C Instruments Condition 31(B) (*Credit Linked Certificates*).

In the case of Rule 144A Certificates held through DTC, the exercise procedures shall be in accordance with the applicable rules and procedures of DTC and as may otherwise be set forth in the applicable Final Terms.

(d) *Cash Settlement*

In the case of Rule 144A Warrants or Rule 144A Certificates which are Cash Settled Warrants or Cash Settled Certificates, each such Warrant, Certificate or, if Units are specified in the applicable Final Terms, each Unit, entitles its holder, upon due exercise to receive from the Issuer on the Settlement Date the Cash Settlement Amount.

In the case of Rule 144A Global Warrants or Rule 144A Certificates held through DTC which are Cash Settled Warrants or Cash Settled Certificates, the Issuer, through the Principal Warrant Agent or Principal Certificate Agent, as applicable, shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant, Certificate or Unit, as the case may be, to the designated account at the U.S. Warrant Agent or U.S. Certificate Agent, as applicable (or at such other account or bank as may be specified by the U.S. Warrant Agent or U.S. Certificate Agent, as applicable). In such case, as promptly as practicable thereafter, and provided that the U.S. Warrant Agent or U.S. Certificate Agent, as applicable, is satisfied that delivery to it of funds sufficient to pay the Cash Settlement Amount will be made, the U.S. Warrant Agent or U.S. Certificate Agent, as applicable, will cause the Cash Settlement Amount to be credited to the Holder's account with the U.S. Warrant Agent or U.S. Certificate Agent, as applicable, less any Expenses.

(e) *Physical Settlement*

In the case of Rule 144A Warrants or Rule 144A Certificates which are Physical Delivery Warrants or Physical Delivery Certificates, as applicable, upon the exercise or deemed exercise of a Rule 144A Warrant or a Rule 144A Certificate by a Holder, and, subject to certification as to QIB and QP beneficial ownership, the Issuer shall transfer or procure the transfer on the Settlement Date of the Entitlement in respect of each Rule 144A Warrant or Rule 144A Certificate, as applicable, so exercised, subject to payment by the Holder to or to the order of the Issuer on or before the Settlement Date of the Exercise Price, if any, and any other Expenses or sums payable. For the avoidance of doubt, delivery of the Entitlement shall take place only after the Expenses (if any) have been paid by such Holder to or to the order of the Issuer. No Rule 144A Warrant or Rule 144A Certificate, as applicable, shall confer on a Holder any right to acquire the Entitlement

and the Issuer is not obliged to purchase or hold the Entitlement. The delivery of the Entitlement shall be made (i) if practicable and in respect of the account of the Holder, (ii) in the manner specified in the relevant Final Terms or (iii) in such other commercially reasonable manner as the Issuer shall determine to be appropriate for such delivery and will, where appropriate and if practicable, notify the Holders in accordance with W&C Instruments Condition 12 (*Notices*). By purchasing or exercising a Rule 144A Warrant or a Rule 144A Certificate, as applicable, which is a Physical Delivery Warrant or Physical Delivery Certificate, as applicable, the relevant Holder shall be deemed to have agreed to such form of settlement as provided herein and as set forth in the rules and procedures of the relevant Clearing System.

The obligation of the Issuer to deliver any Entitlement is limited to such Entitlement having the characteristics and in the form that allows delivery via the relevant Clearing System and, in the case of Shares or Fund Shares (as the case may be), does not include registration of the Holder in the share register or in the list of shareholders, and none of the Issuer, (if applicable) the Guarantor, the Calculation Agent or any other person shall have any liability for any such failure of (or delay in) registration.

Following exercise of a Rule 144A Warrant or Rule 144A Certificate, as applicable, which is subject to Physical Settlement, all dividends, if any, on the relevant Entitlement to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Entitlement executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Entitlement. Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Exercise Notice.

Unless otherwise specified in the Final Terms, Rule 144A Warrants or Rule 144A Certificates, as applicable, exercised at the same time will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Rule 144A Warrants or Rule 144A Certificates, as applicable, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or each of the Relevant Assets, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in its sole and absolute discretion shall be paid to the Holder.

If the relevant Holder fails to provide the required representations and certifications in the relevant Exercise Notice as of the relevant Cut-Off Date, the Issuer may, instead of delivering, or having delivered on its behalf, the Entitlement, satisfy its obligations in respect of the relevant Rule 144A Warrant or Rule 144A Certificate, as applicable, by payment to the relevant Holder of a cash amount, calculated by the Calculation Agent in good faith and in a commercially reasonable manner to represent the fair market value of the Entitlement on such day as shall be selected by the Issuer in good faith and in a commercially reasonable manner adjusted to take account fully for any losses, expenses and costs to the Issuer and/or any affiliate of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including, but not limited to, any options or selling or otherwise realising any Relevant Asset or other relevant instruments or assets of any type whatsoever which the Issuer and/or any of its affiliates may hold as part of such hedging arrangements.)

7. **Exercise Procedure in respect of Warrants**

(a) *Warrants represented by a Rule 144A Global Warrant held through DTC*

Warrants represented by a Rule 144A Global Warrant held through DTC may only be exercised by delivery through computerised exercise instruction through DTC (via its "Deposit and Withdrawal at Custodian" or "DWAC" function) of a duly completed Exercise Notice in the form set out in the English Law Agency Agreement (copies of which form may be obtained from the W&C Instrument Agents) to the U.S. Warrant Agent with a copy to the Principal Warrant Agent, Merrill Lynch International or BofA

Securities Europe SA, as the case may be, in accordance with the provisions set out in Rule 144A W&C Instrument Condition 6 (*Exercise Rights*) and this Rule 144A W&C Instrument Condition 7.

In the case of Warrants represented by a Rule 144A Global Warrant held through DTC, the Exercise Notice shall, unless otherwise agreed:

(i) specify the Series of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;

(ii) specify the designated account at DTC to be debited with the Warrants being exercised;

(iii) irrevocably instruct DTC to exercise the Warrants debited to the account of the Holder and credited to the account of the U.S. Warrant Agent by means of DTC's DWAC function;

(iv) specify the designated account at DTC to be credited with the Cash Settlement Amount (if any) for each Warrant being exercised;

(v) include an irrevocable undertaking by the Holder to pay all Expenses and an instruction from the Holders to DTC to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder at DTC with an amount or amounts in respect thereof;

(vi) in the case of FX Linked Warrants only, and only if so required by DTC, specify the number of the Holder's account at DTC of the relevant Settlement Currency to be credited with the amount due upon exercise of the Warrants;

(vii) include a certification that each beneficial owner is a QIB and a QP; and

(viii) authorise the production of such Exercise Notice in applicable administrative or legal proceedings,

all as provided in the English Law Agency Agreement.

In addition, if the relevant Final Terms specify Physical Settlement is applicable, the Exercise Notice shall also, unless otherwise agreed:

(i) irrevocably instruct DTC to debit on the Actual Exercise Date a specified account of the Holder with the aggregate Exercise Price(s) (if relevant) in respect of the Rule 144A Warrants being exercised and to transfer such amount to such account with DTC as shall have been specified by the Issuer to DTC for that purpose;

(ii) include an irrevocable undertaking by the Holder to pay all Expenses incurred by reason of transfer (if any) of the Entitlement(s) to the account at DTC specified by the Holder in the relevant Exercise Notice and an instruction from the Holder to DTC to deduct an amount in respect thereof from any Physical Settlement Value due to such Holder or otherwise to debit (on or at any time after the Settlement Date) a specified account of the Holder at DTC with an amount or amounts in respect thereof;

(iii) specify the number of the Holder's account with DTC to be credited with the relevant Entitlement(s); and

(iv) include such details as are required by the applicable Final Terms or by DTC for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Holder's account with DTC, to be credited with any cash payable by the Issuer,

either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event and the Issuer electing to pay the Disruption Cash Settlement Price or the occurrence of a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Failure to Deliver Settlement Price as applicable, or in respect of any Partial Cash Settlement Amount.

If W&C Instruments Condition 5(C) applies, the information required to be provided in the Exercise Notice will be different from that set out above. Copies of such information required for such Exercise Notice may be obtained from the U.S. Warrant Agent or the Principal Warrant Agent.

Upon receipt of an Exercise Notice, the U.S. Warrant Agent shall verify that the person exercising the Warrants is the Holder thereof according to the records of DTC. Subject thereto, the U.S. Warrant Agent shall notify the Issuer of the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount of each Warrant being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants held through DTC, the U.S. Warrant Agent will note such exercise on the Register and the number of Warrants so constituted shall be reduced by the redemption *pro tanto* of the Warrants so exercised.

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Holder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Holder may not transfer such Warrants.

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the U.S. Warrant Agent in consultation with the Principal Warrant Agent in the case of Warrants represented by a Rule 144A Global Warrant held through DTC, and shall be conclusive and binding on the Issuer, the relevant W&C Instrument Agents and the relevant Holder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Warrant Agent, Merrill Lynch International or BofA Securities Europe SA, as the case may be, immediately after being delivered or sent to the U.S. Warrant Agent shall be null and void.

If such Exercise Notice is subsequently corrected to the satisfaction of the U.S. Warrant Agent in consultation with the Principal Warrant Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the U.S. Warrant Agent and copied to the Principal Warrant Agent, and Merrill Lynch International or BofA Securities Europe SA, as the case may be.

If Automatic Exercise is not specified in the applicable Final Terms, any Warrants with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in Rule 144A Warrant Condition 6(a) (*American Style Warrants*), in the case of American Style Warrants, or Rule 144A Warrant Condition 6(b) (*European Style Warrants*), in the case of European Style Warrants, shall become void.

The U.S. Warrant Agent shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with the Principal Warrant Agent, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, (if applicable) the Guarantor, the W&C Instrument Agents or DTC, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

(b) *Warrants represented by a Regulation S/Rule 144A Global Warrant or a Rule 144A Global Warrant held through Euroclear and/or Clearstream, Luxembourg*

In respect of Warrants represented by a Regulation S/Rule 144A Global Warrant or a Rule 144A Global Warrant held through Euroclear and/or Clearstream, Luxembourg, the

provisions of W&C Instruments Condition 25(A)(a) (*Exercise Notices – Warrants represented by a Euroclear/CBL Global Registered Warrant*) shall apply except that sub-paragraph (1)(v) shall be replaced in its entirety with the following text:

"(v) in the case of Rule 144A Warrants, certify that the beneficial owner of each Warrant being exercised is a QIB/QP (as defined in the Exercise Notice); and"

In respect of Warrants represented by a Regulation S/Rule 144A Global Warrant or a Rule 144A Global Warrant held through Euroclear and/or Clearstream, Luxembourg, the provisions of W&C Instruments Condition 25(A)(a) (*Exercise Notices – Warrants represented by a Euroclear/CBL Global Registered Warrant*) shall apply except that sub-paragraph (2)(vii) shall be replaced in its entirety with the following text:

"(vii) certify that either (i) the beneficial owner of each Warrant being exercised is a QIB/QP (as defined in the Exercise Notice) or (ii) the beneficial owner of each Warrant being exercised is not a U.S. person, such Warrants were not held on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with such exercise; and, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and".

(c) *Verification of the Holder*

In respect of Warrants represented by a Regulation S/Rule 144A Global Warrant or a Rule 144A Global Warrant held through Euroclear and/or Clearstream, Luxembourg, the provisions of W&C Instruments Condition 25(B) (*Exercise Procedure (Warrants) – Verification of the Holder*) shall apply except that the second sentence shall be replaced in its entirety with the following text:

"Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Principal Warrant Agent and, in the case of Warrants represented by a Regulation S/Rule 144A Global Warrant or a Rule 144A Global Warrant held through Euroclear and/or Clearstream, Luxembourg, the Registrar, the ISIN and the amount of Warrants being exercised, the account number of the exercising Holder, a confirmation of the exercising Holder's certification (in the case of Physical Delivery Warrants and Rule 144A Warrants) and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement in respect of each Warrant or Unit, as the case may be, being exercised."

8. **Automatic Exercise in respect of Warrants**

Automatic Exercise will apply to Warrants represented by a Rule 144A Global Warrant held through DTC if specified to be applicable in the applicable Final Terms.

In the case of Warrants represented by a Rule 144A Global Warrant held through DTC, in order to receive the Cash Settlement Amount, in respect of a Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be, the relevant Holder must deliver through computerised exercise instruction through DTC (via its DWAC function) a duly completed Exercise Notice to the U.S. Warrant Agent with a copy to Merrill Lynch International or BofA Securities Europe SA, as the case may be, and the Principal Warrant Agent on any New York Business Day until not later than 5.00 p.m., New York City time, on the New York Business Day immediately preceding the Cut-Off Date (as defined in W&C Instruments Condition 25(E) (*Exercise Procedure (Warrants) – Automatic Exercise*)).

The Exercise Notice shall include the applicable information set out in the Exercise Notice referred to in Rule 144A Warrant Condition 7(a) (*Exercise Procedure in respect of Warrants – Warrants represented by a Rule 144A Global Warrant held through DTC*). The Business Day during the period from the Expiration Date or the Actual Exercise Date, as the case may be, until the Cut-Off Date on which an Exercise Notice is delivered to the U.S. Warrant Agent and

a copy thereof delivered to Merrill Lynch International or BofA Securities Europe SA, as the case may be, and the Principal Warrant Agent is referred to in this Rule 144A Warrant Condition 8 as the "**Exercise Notice Delivery Date**", provided that if the Exercise Notice is delivered to the U.S. Warrant Agent at or after 5.00 p.m., New York City time on a New York Business Day, the Exercise Notice Delivery Date shall be deemed to be the next succeeding New York Business Day.

Subject to the relevant Holder performing its obligations in respect of the relevant Warrant or Unit, as the case may be, in accordance with these Terms and Conditions, the Settlement Date for such Warrants or Units, as the case may be, shall be the fourth Business Day following the Exercise Notice Delivery Date. In the event that a Holder does not so deliver an Exercise Notice in accordance with this Rule 144A Warrant Condition 8 prior to 5.00 p.m., New York City time, on the New York Business Day immediately preceding the Cut-Off Date, such Warrants shall expire worthless, and the Issuer's obligations in respect of such Rule 144A Warrants and, if applicable, the Guarantor's obligations in respect of the MLBV/MLICo. Guarantee shall be discharged and no further liability in respect thereof shall attach to the Issuer or (if applicable) the Guarantor.

9. **Collection Notices in respect of Certificates**

(a) *Certificates represented by a Rule 144A Global Certificate held through DTC*

If Certificates are represented by a Rule 144A Global Certificate held through DTC in order to receive the Entitlement in respect of a Certificate, and if so required by DTC, the relevant Holder must deliver a computerised instruction through DTC (via its "Deposit and Withdrawal at Custodian" or "DWAC" function or otherwise in accordance with the rules and procedures of DTC) of a duly completed Collection Notice, in the form set out in the English Law Agency Agreement (copies of which form may be obtained from the W&C Instrument Agents), to the U.S. Certificate Agent with a copy to the Principal Certificate Agent, and to Merrill Lynch International or BofA Securities Europe SA, as the case may be, on (x) in the case of Certificates other than Credit Linked Certificates, any New York Business Day up until 10.00 a.m., New York time, on the Actual Exercise Date or (y) in the case of Credit Linked Certificates, the Credit Cut-Off Date, or, in either case, such other time as DTC may prescribe (each the "**Cut-Off Date**").

The Collection Notice shall, unless otherwise agreed:

(i) specify the Series of the Certificate and the number Certificates the subject of such Collection Notice;

(ii) specify the designated account at DTC to be debited Certificates the subject of such Collection Notice;

(iii) include an irrevocable undertaking by the Holder to pay all Expenses incurred by reason of transfer (if any) of the Entitlement(s) to the account at DTC specified by the Holder in the relevant Exercise Notice or Collection Notice, as applicable, and an instruction from the Holder to DTC to deduct an amount in respect thereof from any Physical Settlement Value due to such Holder or otherwise to debit (on or at any time after the Settlement Date) a specified account of the Holder at DTC with an amount or amounts in respect thereof;

(iv) in the case of FX Linked Certificates only, and if so required by DTC, specify the number of the Holder's account at DTC of the relevant Settlement Currency to be credited with the amount due upon exercise of the Certificates;

(v) specify the number of the Holder's account with DTC to be credited with the relevant Entitlement(s);

(vi) include a certification that each beneficial owner is a QIB and a QP;

(vii) authorise the production of such Collection Notice in applicable administrative or legal proceedings; and

(viii) include such other details as are required by the applicable Final Terms or by DTC for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Holder's account with DTC, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or in respect of any Partial Cash Settlement Amount,

all as provided in the English Law Agency Agreement.

If W&C Instruments Condition 5(C) applies, the information required to be provided in the Collection Notice will be different from that set out above. Copies of such information required for such Collection Notice may be obtained from the U.S. Certificate Agent or the Principal Certificate Agent.

If a Holder so delivers a duly completed Collection Notice after the Cut-Off Date, the Entitlement shall be delivered as soon as practicable after the Settlement Date or, in the case of Credit Linked Certificates, the Credit Settlement Date, provided that if a Holder does not so deliver a duly completed Collection Notice in accordance with this Condition 9(a) prior to the close of business in the place of receipt on the 90th calendar day following the Cut-Off Date, the Issuer's obligations in respect of such Certificates and, with respect to Certificates other than Secured W&C Instruments, the Guarantor's obligations in respect of the MLBV/MLICo. Guarantee shall be discharged and no further liability in respect thereof shall attach to the Issuer or (if applicable) the Guarantor. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise as a result of such Settlement Date or Credit Settlement Date falling after the originally designated Settlement Date or Credit Settlement Date, as the case may be, and no liability in respect hereof shall attach to the Issuer or the Guarantor.

After the delivery of a Collection Notice, the relevant Holder may not transfer the Certificates to which the Collection Notice relates.

Upon receipt of a Collection Notice, the U.S. Certificate Agent, shall verify that the person submitting the Collection Notice is the Holder thereof according to the records of DTC. Subject thereto, the U.S. Certificate Agent shall notify the Issuer of the number of Certificates being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount of each Certificate being exercised and the details for the delivery of the Entitlement in respect of each Certificate the subject of the relevant Collection Notice.

Any determination as to whether a Collection Notice is duly completed and in proper form shall be made by the U.S. Certificate Agent in consultation with the Principal Certificate Agent and/or DTC in the case of Certificates represented by a Rule 144A Global Certificate, and shall be conclusive and binding on the Issuer, the relevant W&C Instrument Agents and the relevant Holder. Subject as set out below, any Collection Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Certificate Agent, and Merrill Lynch International or BofA Securities Europe SA, as the case may be, immediately after being delivered or sent to the U.S. Certificate Agent shall be null and void.

If such Collection Notice is subsequently corrected to the satisfaction of the U.S. Certificate Agent, in consultation with the Principal Certificate Agent and/or DTC, it shall be deemed to be a new Collection Notice submitted at the time such correction was delivered to the U.S. Certificate Agent and copied to the Principal Certificate Agent and Merrill Lynch International or BofA Securities Europe SA, as the case may be,.

The U.S. Certificate Agent shall use its best efforts promptly to notify the Holder submitting a Collection Notice if, in consultation with the Principal Certificate Agent and/or DTC, it has determined that such Collection Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, (if applicable) the Guarantor, the W&C Instrument Agents or DTC, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

(b) *Certificates represented by a Regulation S/Rule 144A Global Certificate or a Rule 144A Global Certificate held through Euroclear and/or Clearstream, Luxembourg*

In respect of Certificates represented by a Regulation S/Rule 144A Global Certificate or a Rule 144A Global Certificate held through Euroclear and/or Clearstream, Luxembourg, the provisions of W&C Instruments Condition 32(A)(a) (*Collection Notices – Euroclear/CBL Certificates)* shall apply except that sub- paragraph (1)(vii) shall be replaced in its entirety with the following text:

"(vii) certify that (A) in the case of Certificates offered and sold in reliance on Rule 144A, the beneficial owner of each Certificate being exercised is a QIB/QP (as defined in the Collection Notice) or (B) in the case of Physical Delivery Certificates, either (i) the beneficial owner of each Certificate being exercised is a QIB/QP (as defined in the Collection Notice) or (ii) the beneficial owner of each Certificate being exercised is not a U.S. person, such Certificates were not held on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with such exercise; and, in either case, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and".

(c) *Verification of the Holder*

In respect of Certificates represented by a Regulation S/Rule 144A Global Certificate or a Rule 144A Global Certificate held through Euroclear and/or Clearstream, Luxembourg, the provisions of W&C Instruments Condition 32(B) (*Collection Notices and Settlement (Certificates) - Verification of the Holder*) shall apply except that the second sentence shall be replaced in its entirety with the following text:

"Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Principal Certificate Agent or, in the case of Registered Certificates, the Registrar, the ISIN and the amount of Certificates being exercised, the account number of the exercising Holder, a confirmation of the exercising Holder's certification (in the case of Physical Delivery Certificates and Certificates offered and sold in reliance on Rule 144A), the relevant account details (if applicable) and the details for the delivery of the Entitlement in respect of each Certificate the subject of the relevant Collection Notice."

10. Repurchases

Rule 144A W&C Instruments purchased by the Issuer, (if applicable) the Guarantor or any of their Affiliates pursuant to W&C Instruments Condition 10 (*Repurchases*) may only be held, or reissued or resold pursuant to Rule 144A or Regulation S, as applicable, or surrendered to the U.S. Warrant Agent or the U.S. Certificate Agent, as the case may be, for cancellation.

11. Additional Amounts

In respect of Warrants represented by a Rule 144A Global Warrant held through DTC, the references in W&C Instruments Condition 26 (*Additional Amounts*) to "the relevant Clearing System" shall be replaced by "DTC".

In respect of Certificates represented by a Rule 144A Global Certificate held through DTC, the references in W&C Instruments Condition 33 (*Additional Amounts*) to "Euroclear or Clearstream Luxembourg, as the case may be" shall be replaced by "DTC".

12. **U.S. Warrant Agent or U.S. Certificate Agent**

The Issuer and (if applicable) the Guarantor reserve the right at any time to vary or terminate the appointment of the U.S. Warrant Agent or the U.S. Certificate Agent, as the case may be, and to appoint further or additional W&C Instrument Agents as provided in W&C Instruments Condition 11 (*Agents, Determinations, Modifications and Meeting Provisions*), provided that, so long as any of the W&C Instruments are represented by a Rule 144A Global W&C Instrument held through DTC, there shall be a U.S. Warrant Agent or the U.S. Certificate Agent, as the case may be.

13. **Notices**

For so long as the W&C Instruments are represented by a Rule 144A Global W&C Instrument held through DTC, the reference in the first paragraph of W&C Instruments Condition 12 (*Notices*) to "each relevant Clearing System" shall be replaced by "DTC".

14. **Substitution of the Issuer**

The Issuer, or any previous substituted company may, at any time, without the consent of the Holders, substitute for itself as principal obligor under W&C Instruments represented by a Rule 144A Global W&C Instrument or a Regulation S/Rule 144A Global W&C Instrument any company, being BAC or any of its other subsidiaries as provided in W&C Instruments Condition 15 (*Substitution of the Issuer, Consolidation and Merger*), provided that the Substitute and the W&C Instruments satisfy all the applicable requirements of Rule 144A.

ANNEX 12

ADDITIONAL TERMS AND CONDITIONS FOR SAUDI SHARE LINKED WARRANTS

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Saudi Share Linked Warrants shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Additional Terms and Conditions for Saudi Share Linked Warrants set out below (the "**Saudi Share Linked Warrant Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the W&C Instruments Conditions and the Saudi Share Linked Warrant Conditions, the Saudi Share Linked Warrant Conditions shall prevail. In the event of any inconsistency between (a) the W&C Instruments Conditions and the Saudi Share Linked Warrant Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Saudi Share Linked Warrant Conditions to "Instrument" and "Instruments" shall be deemed to be references to "W&C Instrument" and "W&C Instruments" as the context admits. Any reference to "Share Linked Warrant" in the W&C Instruments Conditions shall be deemed to include any Saudi Share Linked Warrant.

2. **Definitions**

For the purposes of these Saudi Share Linked Warrant Conditions:

"**Additional Amount**" means, in respect of an Additional Amount Payment Date, an amount equal to 100 per cent. of the relevant Cash Dividend per Share less any Taxation and Costs, such amount converted (if necessary) into the Settlement Currency at the Dividend Exchange Rate.

"**Additional Amount Payment Date**" means, in respect of each Dividend Distribution Date, the fifth Business Day following the Divided Distribution Date, unless otherwise determined by the Calculation Agent.

"**Adjustment Factor**" means the Adjustment Factor as specified in the applicable Final Terms.

"**Applicable Hedge Positions**" means, at any time, Hedge Positions that the Calculation Agent determines that a Hypothetical Dealer, acting in a commercially reasonable manner, would consider necessary to hedge the price risk and dividend risk of the Issuer issuing and the Issuer performing its obligations with respect to any Saudi Share Linked Warrant at that time.

"**Basket of Shares**" means a basket composed of Shares in their relative proportions or number of Shares, as specified in the applicable Final Terms.

"**Business Day**" means a day (other than a Friday, Saturday or Sunday) which is both (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, Riyadh and in each relevant Business Day Centre(s) specified in the applicable Final Terms and (b) either (1) in relation to any sum payable in a Settlement Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Settlement Currency or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) system or any successor thereto (the "**TARGET2 System**") is operating.

"**Cash Dividend**" means, in respect of any Warrant, any ordinary or extraordinary dividends that (a) are paid in cash (excluding, for the avoidance of doubt, stock dividends or the cash value of any dividend declared on a Share in shares of the Share Company or in any assets other than cash) by the Share Company to holders of record of a Share from (but excluding) the Trade Date to (and including) the relevant Valuation Date and (b) have an Ex-Dividend Date that occurs from (but excluding) the Trade Date to (and including) the relevant Valuation Date.

"**Cash Settled Instruments**" means Instruments that entitle the holder, upon due exercise, to receive from the Issuer the Cash Settlement Amount on the Settlement Date.

"**Common Scheduled Trading Day**" means, in respect of a Basket of Shares, each day which is a Scheduled Trading Day for all the Shares in the Basket of Shares.

"**Costs**" means all expenses, costs, charges, levies, tax, duties, withholding, deductions or other payments including without limitation, all Depository, custodial, registration, transaction and exercise changes and stamp, issues, registration or, securities transfer or other similar taxes or duties, as determined by the Calculation Agent, that would be incurred per Share by or on behalf of (i) a Hypothetical Dealer or a Hedging Entity that is a holder of record of a Share in connection with the payment of a Cash Dividend or stock dividend on such Share (ii) a Hypothetical Dealer or a Hedging Entity in respect of any payments or deliveries under any Applicable Hedge Position and/or (iii) a Hypothetical Dealer or Hedging Entity terminating or liquidating any Applicable Hedge Positions or Hedge Positions (as applicable) during any Execution Period, as applicable.

"**Currency of the Shares**" means the currency (a) in which any Cash Dividend would be paid by the Share Company, (b) in which the Shares trade on the Exchange or (c) of any proceeds that the Calculation Agent determines a Hypothetical Dealer holding the Shares would receive on disposition of the Shares, as the case may be.

"**Dividend Exchange Rate**" means, the rate, determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, for converting the currency of the Cash Dividend into the Settlement Currency on the relevant Dividend Distribution Date by reference to such sources as the Calculation Agent may, in its discretion, select.

"**Dividend Distribution Date**" means each date that the Share Company pays a Cash Dividend to holders of record of the Share, as determined by the Calculation Agent.

"**Ex-Dividend Date**" means, in respect of a dividend, the date that the relevant Share commences trading ex-dividend on the Exchange in respect of the dividend as determined by the Calculation Agent.

"**Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"**Execution Period**" means the period from (and including) the relevant Valuation Date to (and including) the relevant Final Execution Date.

"**Final Execution Date**" means the day (as determined by the Calculation Agent) on which a Hypothetical Dealer acting in a commercially reasonable manner could execute the last purchase or sale transaction, as the case may be, that would be necessary to fully unwind the relevant Applicable Hedge Positions, such determination to be made by the Calculation Agent.

"**Final Reference Price**" means the weighted average price per Share determined by the Calculation Agent by reference to (i) the price that would be realised by a Hypothetical Dealer, less any Costs and Taxation, acting in a commercially reasonable manner, in terminating or liquidating Applicable Hedge Positions (corresponding to the number of outstanding Warrants during any relevant Execution Period, and (ii) such other matters and information (if any) that the Calculation Agent, in its sole discretion, considers relevant.

"**FX Rate**" means the weighted average rate, determined by the Calculation Agent, for converting the Currency of the Shares into the Settlement Currency expressed as a number of units (or fractional amounts thereof) of the currency in which the Shares are denominated for one unit of the Settlement Currency, taking into consideration all available information that the Calculation Agent considers relevant, which information shall include such sources selected by the Calculation Agent and/or rates of exchange as the Calculation Agent determines would be

realised by a Hypothetical Dealer converting into the Settlement Currency amounts received in connection with a hypothetical disposition of Applicable Hedge Positions during any Execution Period at the time of receipt of such amounts.

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more of (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a Hedging Entity or a Hypothetical Dealer (as applicable) in order to hedge, individually or on a portfolio basis, the Issuer issuing, and the Issuer performing its obligations with respect to, any Saudi Share Linked Warrant.

"**Hedging Entity**" means the Issuer and/or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions relating to the Saudi Share Linked Warrants and/or the Shares in respect of the Issuer's obligations under the Saudi Share Linked Warrants.

"**Hypothetical Dealer**" means a hypothetical broker dealer subject to the same securities laws and rules and regulations of any securities regulators, exchanges and self-regulating organisations as applying to the Hedging Entity.

"**Local Jurisdiction**" means, in respect of Saudi Share Linked Warrants, the Kingdom of Saudi Arabia.

"**Max**" followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets.

"**Related Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "**Related Exchange**" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share.

"**Scheduled Trading Day**" means any day on which the Exchange is scheduled to be open for trading for its regular trading sessions.

"**Settlement Date**" means, unless otherwise specified in the applicable Final Terms, in respect of any Warrant, the fifth Business Day following the relevant Final Execution Date.

"**Shares**" and "**Share**" mean, subject to adjustment in accordance with these Saudi Share Linked Warrant Conditions, the shares or a share specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Share Company**" means, in respect of a Share, the company that has issued such Share.

"**Taxation**" means the aggregation of all withholding taxes, capital gains taxes and other duties and taxes whatsoever in effect which, in the sole and absolute determination of the Calculation Agent, would be payable per Share by or on behalf of (i) a Hypothetical Dealer or a Hedging Entity that is a holder of record of a Share in connection with the payment of a Cash Dividend or stock dividend on such Share (ii) a Hypothetical Dealer or a Hedging Entity in respect of any payments or deliveries under any Applicable Hedge Position and/or (iii) a Hypothetical Dealer or Hedging Entity terminating or liquidating Applicable Hedge Positions or Hedge Positions (as applicable) during any Execution Period, as applicable.

"**Trade Date**" means the date specified as a Trade Date in the applicable Final Terms.

"**Valuation Date**" means, the date specified as such in the applicable Final Terms, or if that is not a Scheduled Trading Day the first Scheduled Trading Day thereafter (or, where the Saudi

Share Linked Warrants relate to a Basket of Shares and the applicable Final Terms provides that "Common Scheduled Trading Days" shall be applicable, if such date is not a Common Scheduled Trading Day, the immediately following Common Scheduled Trading Day).

3. **Cash Settlement Amount**

The Issuer shall, for each Saudi Share Linked Warrant being exercised or deemed exercised, on the Settlement Date pay or cause the payment of the Cash Settlement Amount to the Holder.

Unless otherwise specified in the applicable Final Terms, "**Cash Settlement Amount**" means an amount per Saudi Share Linked Warrant in the Settlement Currency as determined by the Calculation Agent in accordance with the following formula:

$$\text{Max}\left[0;\ \frac{\text{Final Reference Price}}{\text{FX Rate}}\right]\text{*Adjustment Factor}$$

The Cash Settlement Amount will be rounded to the nearest two decimal places in the relevant Settlement Currency, 0.005 being rounded upwards, with W&C Instruments exercised at the same time by the same Holder being aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such W&C Instruments.

4. **Additional Amounts**

If Additional Amounts are specified as applicable in the applicable Final Terms, in respect of each Additional Amount Payment Date, the Issuer shall pay to the Holder of each Saudi Share Linked Warrant the Additional Amount (as determined by the Calculation Agent in its sole discretion) corresponding to such Additional Amount Payment Date.

5. **Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation and Insolvency**

(a) If the Calculation Agent determines that a Potential Adjustment Event (as defined in Share Linked Condition 6 (*Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency and Announcement Event*)) has occurred in respect of a Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, the Calculation Agent may:

(i) make corresponding adjustment(s), if any, to any one or more of the terms of the Terms and Conditions and/or the applicable Final Terms, including to any Additional Amount, the Cash Settlement Amount, and/or any other variable relevant to the exercise, settlement, payment or other terms of the Saudi Share Linked Warrants as the Calculation Agent determines appropriate to account for that diluting or concentrative effect; and/or

(ii) determine, subject to the agreement of the Issuer, (A) to issue further Saudi Share Linked Warrants in accordance with W&C Instruments Condition 14 or issue Instruments of a different Series and distribute such Saudi Share Linked Warrants or Instruments to Holders and/or (B) distribute a cash amount to Holders, in each case, on such terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect, taking into consideration any Costs and/or Taxation associated with any such Potential Adjustment Event and provided that no adjustments (or further issuances) will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share. The Calculation Agent may, but need not, determine the appropriate adjustment (or further issuance) by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange. The Calculation Agent shall determine the effective date(s) of such adjustment(s), further issue(s), distribution(s) and/or purchase(s).

(b) Upon the making of any such determination, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with W&C Instruments Condition 12 stating (i) in respect of a determination pursuant to Saudi Share Linked Warrant Condition 5(a)(i), the adjustment and/or (ii) in respect of a determination pursuant to Saudi Share Linked Warrant Condition 5(a)(ii)(A), details of the relevant Instruments to be distributed and the number of Instruments to which the Holder is entitled and/or (iii) in respect of a determination pursuant to Saudi Share Linked Warrant Condition 5(a)(ii)(B), the amount payable to the Holder of a Saudi Share Linked Warrant, provided in each case that any failure to give such notice shall not affect the validity of the Potential Adjustment Event or any action taken.

(c) Share Linked Conditions 6(a) and 6(b) shall apply to Saudi Share Linked Warrants and shall be deemed to be incorporated by reference into these Saudi Share Linked Warrant Conditions.

6. **Additional Disruption Events**

(a) Share Linked Condition 8, as amended pursuant to Saudi Share Linked Warrant Condition 6(b) below, shall apply to Saudi Share Linked Warrants and shall be deemed to be incorporated by reference into these Saudi Share Linked Warrant Conditions.

(b) Notwithstanding Share Linked Condition 8(a), for the purpose of the Saudi Share Linked Warrant Conditions the definition of "Additional Disruption Event" shall be deleted and replaced with the following:

"**Additional Disruption Event**" means any of (a) Jurisdiction Event and/or Trading Failure and (b) if specified in the applicable Final Terms, Change in Law, Hedging Disruption, Increased Cost of Hedging and/or Insolvency Filing, where:

"**Jurisdiction Event**" means an event has occurred, whether of general application or otherwise and which occurs as a result of present or future risks in or connected with the Kingdom of Saudi Arabia including, but not limited to, risks associated with fraud or corruption, political risk, legal uncertainty, imposition of foreign exchange controls or capital controls, changes in laws or regulations and changes in the interpretation or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks; and

"**Trading Failure**" means any Hedging Entity is not able to buy and/or sell Shares via a trading system commonly used within the Kingdom of Saudi Arabia for such Shares or such trading system fails to calculate and publish the price of the Shares on a day on which the Calculation Agent determines that such calculation and publication was otherwise expected to be made, and in each case, which has or may have (as determined by the Calculation Agent) a material effect on the relevant Hedge Positions)."

7. **Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency and Additional Disruption Events**

In the circumstance where one or more event may satisfy the terms of two or more of the adjustment or termination events set forth in Saudi Share Linked Warrant Condition 7 (*Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency and Additional Disruption Events*) and/or Saudi Share Linked Warrant Condition 6 (*Additional Disruption Events*), then the Calculation Agent shall determine (in its sole and absolute discretion) which adjustment or termination event shall be applicable.

8. **Interpretation**

With regard to the Share Linked Conditions incorporated by reference into these Saudi Share Linked Warrant Conditions all references therein to "the Share Linked Instruments" or "these Share Linked Instruments" shall instead be deemed to be, respectively, to "the Saudi Share Linked Warrants" or "these Saudi Share Linked Warrants", and such Share Linked Conditions

shall otherwise be deemed to be incorporated *mutatis mutandis* into the Saudi Share Linked Warrant Conditions in order to give reasonable effect to such provisions in the context of these Saudi Share Linked Warrant Conditions.

ANNEX 13

ADDITIONAL TERMS AND CONDITIONS FOR SECURED STATIC/FLOATING INSTRUMENTS

1. **Interpretation**

If this Annex 13 is specified as applicable in the applicable Final Terms, the terms and conditions applicable to: (a) Secured Notes shall comprise the terms and conditions of the Notes (the "**Notes Conditions**"), the Additional Terms and Conditions for Physical Delivery Notes (the "**Physical Delivery Note Conditions**") and the Additional Terms and Conditions for Secured Static/Floating Instruments set out below (the "**Secured Static/Floating Instruments Conditions**") and (b) Secured W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Secured Static/Floating Instruments Conditions, in each case, subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions and/or the Physical Delivery Note Conditions, in the case of Secured Notes, or the W&C Instruments Conditions, in the case of Secured W&C Instruments and the Secured Static/Floating Instruments Conditions, the Secured Static/Floating Instruments Conditions shall prevail. In the event of any inconsistency between (x) the Notes Conditions and/or the Physical Delivery Note Conditions or the W&C Instruments Conditions and/or the Secured Static/Floating Instruments Conditions and (y) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Secured Static/Floating Instruments Conditions to "Secured Instrument" and "Secured Instruments" shall be deemed to be references to "Secured Note" and "Secured Notes" or "Secured W&C Instrument" and "Secured W&C Instruments", as the context admits.

For the avoidance of doubt, where this Annex 13 applies, the terms of Annex 14 shall not apply to the Secured Instruments.

2. **Definitions**

For the purposes of these Secured Static/Floating Instruments Conditions:

"**Acceleration Event**" has the meaning given to it in Secured Static/Floating Instruments Condition 4.8.1.

"**Acceleration Instruction**" has the meaning given to it in Secured Static/Floating Instruments Condition 4.8.2.

"**Acceleration Notice**" means a notice substantially in the form in Schedule 23 of the English Law Agency Agreement delivered by a Holder of any Non-Waived Instrument to the relevant Instrument Agent:

(a) specifying that a Secured Instrument Event of Default has occurred and is continuing in respect of such Non-Waived Instrument;

(b) instructing the Security Agent to deliver the notices specified in Secured Static/Floating Instruments Condition 6.1;

(c) instructing the Security Agent to enforce the security constituted by the relevant Deed of Charge and distribute the proceeds (and, if applicable, physically settle the Entitlement), in each case, in accordance with these Secured Static/Floating Instruments Conditions and the terms of the relevant Deed of Charge and the Security Agency Agreement;

(d) instructing the Security Agent to appoint a Disposal Agent, if a Disposal Agent has not already been appointed, and provide instructions to the Disposal Agent in accordance with these Secured Static/Floating Instruments Conditions; and

(e) instructing the Security Agent to perform any further actions of the Security Agent specified in these Secured Static/Floating Instruments Conditions, the relevant Deed of Charge and the Security Agency Agreement or any reasonably incidental actions,

provided that the Security Agent shall not be bound by any such instruction until it receives an Acceleration Instruction in accordance with Secured Static/Floating Instruments Condition 4.8.2.

Any Acceleration Notice shall be in writing and delivered to the Issuer and the relevant Instrument Agent and shall include such details as are necessary to establish and verify the Non-Waived Instruments held by the Holder delivering such notice.

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity.

"**Basket of Eligible Debt Securities**" means a basket composed of Eligible Debt Securities, as specified in the applicable Final Terms.

"**Cash**" means the money and currency of any jurisdiction which the Collateral Agent accepts for deposit in a Collateral Account.

"**Charged Documents**" means each of the Secured Instruments Collateral Provider Agreement, the Valuation Agency Agreement and the relevant Triparty Account Control Agreement.

"**Collateral Account**" has the meaning given to it in Secured Static/Floating Instruments Condition 4.1.

"**Collateral Agent**" means The Bank of New York Mellon, London Branch (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the relevant Triparty Account Control Agreement), and, if applicable, any sub-agent of, or any other entity appointed by the Collateral Agent.

"**Collateral Agent Notice**" means a notice (which may be given in any form agreed between the Collateral Agent and the Secured Instruments Collateral Provider, including but not limited to, electronic message, exchange of electronic files or by telephone) from the Collateral Agent to the Secured Instruments Collateral Provider providing details of why the Collateral Agent considers that the Collateral Test is not satisfied in respect of a Collateral Test Date or that the Collateral Test will not be satisfied (or will no longer be satisfied) after taking into account any adjustments specified in a Collateral Test Notice.

"**Collateral Assets**" means the MTM Collateral Assets and the Static Collateral Assets Delivered into and held in a Collateral Account operated by the Collateral Agent under the terms of the relevant Triparty Account Control Agreement.

"**Collateral Arrangement Party**" means the Secured Instruments Collateral Provider, the Collateral Agent, the Custodian and the Secured Instruments Valuation Agent.

"**Collateral Business Day**" means a day:

(a) 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 London; and

(b) the offices of the Collateral Agent in London are open for business.

"**Collateral Enforcement Notice**" means a notice in writing from the Security Agent (acting in accordance with an Acceleration Instruction) to the Issuer, the Secured Instruments Collateral Provider and the relevant Instrument Agent in or substantially in the form annexed to the relevant Deed of Charge:

(a) specifying that a Series of Secured Instruments are immediately due and repayable at their Early Redemption/Settlement Amount (and, where "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms, that such

Secured Instruments will be subject to settlement in accordance with Secured Static/Floating Instruments Condition 6.9); and

(b) enforcing the security constituted by the relevant Deed of Charge in accordance with the terms thereof and the terms of these Secured Static/Floating Instruments Conditions and the Security Agency Agreement.

"**Collateral Pool**" means, in respect of a Series of Secured Instruments, a pool of Collateral Assets held in a Collateral Account and over which a fixed charge is granted pursuant to the relevant Deed of Charge.

"**Collateral Test**" means, in respect of a Collateral Pool and a Collateral Test Date, (and the Collateral Test will be satisfied if) each of the MTM Collateral Test and the Static Collateral Test is satisfied in respect of such Collateral Test Date.

"**Collateral Test Date**" means, in respect of a Collateral Pool, the Issue Date of the relevant Series of Secured Instruments which are secured by such Collateral Pool and each Collateral Business Day falling in the period from, but excluding, the Issue Date of such Secured Instruments and ending on, and including, the final Valuation Date, Observation Date or Averaging Date (as applicable) of such Secured Instruments.

"**Collateral Test Notice**" means a notice sent or caused to be sent by the Secured Instruments Collateral Provider to the Collateral Agent in relation to a particular Collateral Pool specifying the MTM Collateral Specified Percentage of the Required MTM Collateral Value, and the Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount, for such Collateral Pool in respect of the relevant Collateral Test Date (and such notice may (but is not required to) include specific adjustments to be made to the Collateral Pool (including *inter alia* the type and quantity of any Collateral Assets to be deposited and/or removed)).

"**Collateral Transaction Documents**" means the Secured Instruments Collateral Provider Agreement, the Custodian Agreement to the extent to which it relates to the Collateral Accounts, the Valuation Agency Agreement, the Security Agency Agreement and each relevant Deed of Charge and Triparty Account Control Agreement.

"**Collateral Valuation Currency**" means the currency specified as such in the applicable Final Terms.

"**Collateral Valuation Time**" means on or around the opening of the relevant Collateral Business Day or such other time as the Collateral Agent determines the Collateral Value on the relevant Collateral Test Date.

"**Collateral Value**" means, in respect of a Collateral Pool and a Collateral Test Date, an amount expressed in the Collateral Valuation Currency equal to the sum of the Margin Value of each Eligible MTM Collateral Asset in such Collateral Pool on such Collateral Test Date, as determined by the Collateral Agent.

"**Control Event Notice**" means a notice in writing given in accordance with the relevant Triparty Account Control Agreement from the Secured Instruments Collateral Provider to the Collateral Agent specifying that the Collateral Agent act solely upon the instructions of the Secured Instruments Collateral Provider with respect to the relevant Collateral Account and instructing the Collateral Agent to deliver the Collateral Assets held in such Collateral Account to the Secured Instruments Collateral Provider.

"**Custodian**" means The Bank of New York Mellon, London Branch (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the Custodian Agreement) and, if applicable, any sub-custodian of, or any other entity appointed by the Custodian.

"**Custodian Account**" has the meaning given to it in the Custodian Agreement.

"**Custodian Agreement**" means the agreement between, *inter alia*, The Bank of New York Mellon, London Branch as Custodian and the Secured Instruments Collateral Provider as amended, restated and/or supplemented from time to time.

"**Deed of Charge**" means a deed of charge governed by English law between the Secured Instruments Collateral Provider and the Security Agent under which:

(a) the Secured Instruments Collateral Provider charges by way of first fixed charge its rights and title in the Collateral Assets contained in one or more Collateral Accounts in favour of the Security Agent on behalf of itself and the other Secured Parties in accordance with the Security Agency Agreement; and

(b) the Secured Instruments Collateral Provider assigns by way of security its rights, title and interest in the Collateral Accounts (including, without limitation, any contractual rights, interests or claims relating to such Collateral Accounts) and the Charged Documents in favour of the Security Agent on behalf of itself and the other Secured Parties in accordance with the Security Agency Agreement.

"**Deliver**" means to deliver, novate, transfer, assign or sell, as appropriate, in a manner customary for the settlement of the applicable Collateral Asset (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Collateral Asset free and clear of any and all liens, charges, claims or encumbrances. "**Delivery**" and "**Delivered**" will be construed accordingly.

"**Derivative Hedge**" means any instruments or arrangements entered into by the Issuer and/or its Affiliates with any market counterparty or counterparties in order to hedge part of the Issuer's payment obligations in respect of the Non-Waived Instruments of one or more Series of Secured Instruments, including, without limitation, any purchase, sale, entry into or maintenance of one or more options, futures, forwards, derivatives, foreign exchange transactions, securities or securities lending transactions.

"**Derivative Hedge Termination Costs**" means, in connection with any early redemption of any Series of Secured Instruments, any losses or costs (expressed as a positive number) to the Issuer and/or its Affiliates that are incurred under then prevailing circumstances in unwinding the portion of the Derivative Hedge attributable to the Non-Waived Instruments of such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion.

"**Derivative Hedge Valuation Date**" means, in respect of a Collateral Test Date, the Collateral Business Day immediately preceding such Collateral Test Date, or, if a valuation of the relevant Derivative Hedge is not available on such date, the date of the last available valuation of such Derivative Hedge.

"**Derivative Hedge Valuation Time**" means, in respect of a Collateral Test Date, the close of trading in the relevant markets on the Derivative Hedge Valuation Date for such Collateral Test Date, as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion.

"**Disposal Agent**" means any agent appointed by the Security Agent to realise, dispose of and, if applicable, physically settle Collateral Assets held in a Collateral Account securing the relevant Series of Secured Instruments (or any substitute or replacement entity appointed in respect thereof) following the delivery of a Collateral Enforcement Notice and, if applicable, any sub-agent of, or any other entity appointed by the Disposal Agent.

"**Eligibility Criteria**" means, in relation to a Series of Secured Instruments and an Eligible MTM Collateral Class, each of the criteria that is specified to be applicable in the row of the MTM Collateral Assets Table set out in the applicable Final Terms corresponding to such Eligible MTM Collateral Class, save that, even if not specified in the row of the MTM Collateral Assets Table set out in the applicable Final Terms corresponding to such Eligible MTM Collateral Class, no issuer in respect of any MTM Collateral Asset shall be incorporated in the

United Kingdom and no payment with respect to, or in connection with, any MTM Collateral Asset shall have a United Kingdom source.

Notwithstanding the Eligibility Criteria specified to be applicable in the applicable Final Terms in respect of a Series of Secured Instruments, the Collateral Agent shall be obliged to refer only to the terms of the relevant Triparty Account Control Agreement in determining whether the MTM Collateral Assets comply with the eligibility criteria set out in the relevant Triparty Account Control Agreement.

Notwithstanding the foregoing, if "Only Initial MTM Collateral Assets are Eligible" is specified to be applicable in the applicable Final Terms, the only MTM Collateral Assets that will be deemed to meet the Eligibility Criteria of each Eligible MTM Collateral Class will be those which are of the same type as the MTM Collateral Assets Delivered into the Collateral Account on the Issue Date.

"**Eligible Debt Securities**" or "**Eligible Debt Security**" means the debt securities or debt security issued by the relevant entity specified as the "Debt Security Issuer(s)" in the Eligible Static Collateral Assets Table set out in the applicable Final Terms and identified by the International Securities Identification Number (ISIN) specified as the "Relevant Static Collateral ISIN" in the same row as such entity (and any payments of principal in respect of such debt securities or debt security).

"**Eligible Debt Security Weighting**" means, in respect of each Eligible Debt Security in a Basket of Eligible Debt Securities, the aggregate nominal amount of such Eligible Debt Security expressed as a percentage of the Pool Aggregate Collateral Nominal Amount on the Issue Date, and specified as such in the Eligible Static Collateral Assets Table set out in the applicable Final Terms, in the same row as the "Relevant Static Collateral ISIN" of such Eligible Debt Security specified therein.

"**Eligible MTM Collateral Assets**" means Cash and assets which satisfy all of the Eligibility Criteria applicable to an Eligible MTM Collateral Class. Assets which satisfy all of the Eligibility Criteria that are specified to be applicable to an Eligible MTM Collateral Class will be Eligible MTM Collateral Assets notwithstanding that such assets do not satisfy the Eligibility Criteria applicable to another Eligible MTM Collateral Class.

"**Eligible MTM Collateral Class**" means the Eligibility Criteria that are specified to be applicable in a row of the MTM Collateral Asset Table set out in the applicable Final Terms and which together define a class or type of Eligible MTM Collateral Assets.

"**Eligible Static Collateral Assets**" means (a) a single Eligible Debt Security or a Basket of Eligible Debt Securities, each as specified in the applicable Final Terms, and (b) debt securities that satisfy all of the Eligibility Criteria applicable to an Eligible MTM Collateral Class.

"**Extraordinary Security Agent Liabilities**" means Liabilities incurred by the Security Agent and, where applicable, the Disposal Agent, in the event that the Security Agent determines, acting reasonably, that it is necessary or is requested by the Issuer, the Secured Instruments Collateral Provider or any Secured Party to undertake duties which are of an exceptional nature or otherwise outside the scope of the duties of the Security Agent and, where applicable, the Disposal Agent, under the Security Agency Agreement, the Deed of Charge and the Secured Static/Floating Instruments Conditions.

"**Instrument Agents**" means:

(a) in respect of Secured Instruments that are Secured Notes, the Paying Agents; and

(b) in respect of Secured Instruments that are Secured W&C Instruments, the W&C Instrument Agents,

and, each an "**Instrument Agent**".

"**Liability**" means, for the purposes of these Secured Static/Floating Instruments Conditions, any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other

liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis (and "**Liabilities**" shall be construed accordingly).

"**Margin Percentage**" means, in respect of an MTM Collateral Asset, the percentage amount specified in the row of the MTM Collateral Assets Table set out in the applicable Final Terms corresponding to the Eligible MTM Collateral Class of such Collateral Asset contained in a Collateral Pool. For the avoidance of doubt, the applicable Final Terms shall specify one Margin Percentage value per Eligible MTM Collateral Class.

"**Margin Value**" means, in respect of an Eligible MTM Collateral Asset in a Collateral Pool on a Collateral Test Date, an amount equal to the quotient of (a) the Market Value of such Eligible MTM Collateral Asset for such Collateral Test Date, divided by (b) the Margin Percentage applicable to such Eligible MTM Collateral Asset, as determined by the Collateral Agent.

"**Marked-to-Market Derivative Hedge Value**" means, in respect of a Collateral Pool and a Collateral Test Date, the amount determined by the Secured Instruments Valuation Agent as the market value of the Derivative Hedge in respect of the Derivative Hedge Valuation Time for such Collateral Test Date and shall be determined as the present value of the future payment obligations of the Issuer in respect of the Non-Waived Instruments of the relevant Series of Secured Instruments which are secured by such Collateral Pool, minus the present value of the future cash flows of the Static Collateral Assets that secure such Series of Secured Instruments, and taking into account such factors as the Secured Instruments Valuation Agent considers to be appropriate in its discretion, including without limitation:

(a) spot and forward market prices or values for the underlying asset(s) of the Derivative Hedge and other relevant economic variables (including, without limitation, interest rates and, if applicable, exchange rates) at the relevant time;

(b) the correlation between the market prices or value of the underlying asset(s) of the Derivative Hedge and other relevant economic variables at the relevant time;

(c) historic and implied volatility of the market prices or value of the underlying asset(s) of the Derivative Hedge;

(d) the remaining time until expiry of the Derivative Hedge;

(e) internal pricing models;

(f) prices at which other market participants might bid for options or other instruments similar to the Derivative Hedge; and

(g) the valuation using relevant economic variables of the cash flows and/or coupon payments of the Static Collateral Assets that secure such Secured Instruments.

"**Market Value**" means, in respect of a Collateral Test Date and an Eligible MTM Collateral Asset in a Collateral Pool that is:

(a) a security, an amount expressed in the Collateral Valuation Currency calculated by the Collateral Agent in its sole discretion as the sum of:

    (i) the market value of such Eligible MTM Collateral Asset in respect of such Collateral Test Date as determined by the Collateral Agent in its sole and absolute discretion based on the most recently available closing bid price (traded or quoted excluding accrued interest in respect of an Eligible MTM Collateral Asset that is a fixed income debt security) for such Eligible MTM Collateral Asset made available to the Collateral Agent as at the Collateral Valuation Time on such Collateral Test Date. The closing bid price used for these purposes will usually be the closing bid price in respect of the trading day for such Eligible MTM Collateral Asset immediately preceding such Collateral Test Date displayed as of the Collateral Valuation Time on pricing information services used generally by

the Collateral Agent for pricing such Eligible MTM Collateral Assets, provided that if the Collateral Agent is unable to obtain the closing bid price of such Eligible MTM Collateral Asset from such pricing information services as of the Collateral Valuation Time on such Collateral Test Date, then the market value shall be determined in good faith by the Collateral Agent in the reasonable exercise of its discretion based on information furnished to the Collateral Agent by one or more brokers in such Eligible MTM Collateral Asset or on the basis of a formula utilised by the Collateral Agent for such purpose in the ordinary course of its business; plus

(ii) in respect of an Eligible MTM Collateral Asset that is a fixed income debt security, accrued but unpaid distributions (if any) on such Eligible MTM Collateral Asset; or

(b) Cash, an amount expressed in the Collateral Valuation Currency equal to its nominal or face amount,

in each case, where the relevant currency or denomination of an Eligible MTM Collateral Asset is other than the Collateral Valuation Currency, the Secured Instruments Valuation Agent shall convert the value of such Collateral Asset (or other relevant values) at the relevant spot rate or spot rates in accordance with such method and as at such time as the Secured Instruments Valuation Agent may select in its discretion, having regard to then-current rates of exchange, and shall notify the Collateral Agent of such converted value.

"**MTM Collateral Assets**" means, in respect of a Series of Secured Instruments, Eligible MTM Collateral Assets that are Delivered into and held in the Collateral Account relating to such Series of Secured Instruments.

"**MTM Collateral Assets Table**" means the table specified as such in the applicable Final Terms.

"**MTM Collateral Specified Percentage**" means the percentage specified as such in the applicable Final Terms.

"**MTM Collateral Test**" means, in respect of a Collateral Pool and a Collateral Test Date, a determination by the Collateral Agent as to whether the Collateral Value in respect of such Collateral Test Date is greater than or equal to the MTM Collateral Specified Percentage of the Required MTM Collateral Value in respect of such Collateral Test Date. When determining whether the MTM Collateral Test is satisfied, MTM Collateral Assets for which instructions for the transfer to the relevant Collateral Account have been provided on or before such Collateral Test Date will be included for the purposes of such determination and MTM Collateral Assets for which instructions for the removal from the relevant Collateral Account have been provided on or before such Collateral Test Date will be excluded for the purposes of such determination.

"**Non-Waived Instruments**" means, in relation to a Series of Secured Instruments and any relevant date, those Secured Instruments which are not Waived Instruments on such date.

"**Notice of Exclusive Control**" means a notice in writing given in accordance with (and in or substantially in the form annexed to) the relevant Triparty Account Control Agreement from the Security Agent (acting in accordance with an Acceleration Instruction) to the Collateral Agent specifying that the Collateral Agent act solely upon the instructions of the Security Agent with respect to the relevant Collateral Account and instructing the Collateral Agent to deliver the Collateral Assets held in such Collateral Account to the Security Agent.

"**Notional Amount**" means in respect of a Secured Instrument, the "Notional Amount per Certificate" or the "Notional Amount per Warrant" as specified in the applicable Final Terms.

"**Option Termination Costs**" means, in connection with any early redemption of any Series of Secured Instruments, any losses or costs (expressed as a positive number) to the Issuer and/or its Affiliates that are incurred under then prevailing circumstances in unwinding the portion of the Option attributable to the Non-Waived Instruments of such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion.

"**Option Valuation Date**" means, in respect of a Collateral Test Date, the Collateral Business Day immediately preceding such Collateral Test Date, or, if a valuation of the relevant Option is not available on such date, the date of the last available valuation of such Option.

"**Option Valuation Time**" means, in respect of a Collateral Test Date, the close of trading in the relevant markets on the Option Valuation Date for such Collateral Test Date, as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion.

"**Order of Priority**" means the order specified in the applicable Final Terms following which the Security Agent shall apply moneys received following enforcement of the relevant Deed of Charge and the Charged Documents in accordance with Secured Static/Floating Instruments Condition 6. The Order of Priority may be the Standard Order of Priority (as defined below) or any alternative order of item (c), (d) and (e) below, as specified in the applicable Final Terms (provided that items (a) and (b) shall always be the first and second items in the Order of Priority):

(a) in from time to time setting aside Security Agent Amounts which the Security Agent will apply in settlement of Security Agent Liabilities and from which the Security Agent may apply in settlement of Extraordinary Security Agent Liabilities;

(b) on a *pro rata* and *pari passu* basis, in payment or satisfaction of all Liabilities incurred by or payable by the Issuer and/or the Secured Instruments Collateral Provider, in relation to the relevant Secured Instruments, to the Security Agent and, where applicable, the Disposal Agent (which shall include any taxes required to be paid, the costs of realising any security (including the distribution of enforcement proceeds and/or, where "Physical Delivery of Static Collateral Assets" is applicable, Delivery of the Entitlement to the Holders of the related Secured Instruments) and the remuneration of the Security Agent and, where applicable, the Disposal Agent) such amounts together the "**Security Agent Liabilities**";

(c) in payment of any amounts due to be paid or reimbursed to the Collateral Agent by the Secured Instruments Collateral Provider;

(d) in payment of any amounts due to Holders of Non-Waived Instruments in accordance with Secured Static/Floating Instruments Condition 6 below;

(e) *pro rata* in payment of any amounts owed to the creditors (if any) whose claims have arisen as a result of the creation, operation or liquidation of the Collateral Assets (save to the extent that the claims of any such creditor fall within paragraphs (a) to (d) above); and

(f) payment of the balance (if any) to the Secured Instruments Collateral Provider,

and the "**Standard Order of Priority**" means that the Order of Priority shall follow the order (a), (b), (c), (d), (e), (f) specified above.

"**Physical Delivery of Collateral Assets Disruption Event**" means any event beyond the control of the Issuer, the Secured Instruments Collateral Provider, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), as applicable, as a result of which the Physical Delivery Clearing System cannot Deliver some or all of the Entitlement required to be delivered pursuant to the terms of these Secured Static/Floating Instruments Conditions.

"**Physical Delivery Clearing System**" means, in respect of Secured Notes, the relevant clearing system of the securities account specified by a Holder in accordance with Physical Notes Condition 2 (*Delivery of Entitlement and Asset Transfer Notices*) or, in respect of Secured W&C Instruments, has the meaning given to it in W&C Instruments Condition 25(C)(b) or 31(A) (as applicable).

"**Pool Aggregate Collateral Nominal Amount**" means, in respect of a Collateral Pool and any relevant date, an amount expressed in the Collateral Valuation Currency equal to the aggregate nominal amount of the Static Collateral Assets held in the Collateral Account on such date, as

determined by the Collateral Agent in accordance with the terms of the relevant Triparty Account Control Agreement.

Where the relevant currency or denomination of an Eligible Static Collateral Asset is other than the Collateral Valuation Currency, the Secured Instruments Valuation Agent shall convert the nominal amount of such Collateral Asset at the relevant spot rate or spot rates in accordance with such method and as at such time as the Secured Instruments Valuation Agent may select in its discretion, having regard to then-current rates of exchange, and shall notify the Collateral Agent of such converted amount.

"**Required Collateral Default**" means, following receipt by the Secured Instruments Collateral Provider of a Collateral Agent Notice which indicates that the Collateral Test is not satisfied (or will not be satisfied after taking into account any adjustments specified in a Collateral Test Notice), the Secured Instruments Collateral Provider fails to instruct the Collateral Agent to transfer sufficient additional Eligible MTM Collateral Assets and/or Eligible Static Collateral Assets into the Collateral Account to satisfy the Collateral Test and/or Deliver the additional necessary Collateral Assets and such failure results in the Collateral Test not being satisfied for one Collateral Business Day following delivery of such Collateral Agent Notice (when determining whether the Collateral Test has been so satisfied, only Collateral Assets which have actually been transferred to the relevant Collateral Account shall be taken into account).

"**Required Collateral Default Notice**" means a notice (which may be given in any form agreed between the Collateral Agent and the Secured Instruments Collateral Provider, including but not limited to, electronic message, exchange of electronic files or by telephone) given in accordance with the relevant Triparty Account Control Agreement by the Collateral Agent to the Secured Instruments Collateral Provider and the Security Agent, specifying that a Required Collateral Default has occurred.

"**Required MTM Collateral Value**" means, in respect of a Collateral Pool and a Collateral Test Date, the greater of zero and the sum of each portion of the Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for such Collateral Test Date that relates to a Non-Waived Instrument of the relevant Series of Secured Instruments which are secured by such Collateral Pool, as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion.

"**Required Static Collateral Nominal Amount**" means, in respect of a Collateral Pool which secures a Series of Secured Instruments and any relevant date, (a) in respect of Secured Instruments that are Secured Notes, the total aggregate principal amount of the Non-Waived Instruments of such Series of Secured Instruments; and (b) in respect of Secured Instruments, that are Secured W&C Instruments, the sum of the Notional Amount of each Non-Waived Instrument of such Series of Secured Instruments, each as determined by the Secured Instruments Valuation Agent.

"**Security Agent**" means The Bank of New York Mellon (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the Security Agency Agreement and/or these Secured Static/Floating Instruments Conditions).

"**Security Agency Agreement**" means the Security Agency Agreement governed by New York law between the Security Agent, the Secured Instruments Collateral Provider and the Issuer as amended, restated and/or supplemented from time to time.

"**Security Agent Amounts**" means such amounts as the Security Agent from time to time determines, acting reasonably, that it shall require in order to satisfy any Extraordinary Security Agent Liabilities, having regard to any amounts received pursuant to Clause 2.6(d) (*Exculpatory Provisions*) of the Security Agency Agreement.

"**Secured Parties**" means the parties referred to in sub-paragraphs (a) to (f) (inclusive) of the definition of Order of Priority (each, a "**Secured Party**").

"**Secured Instruments Collateral Provider**" means Merrill Lynch International (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the Secured

Instruments Collateral Provider Agreement and/or these Secured Static/Floating Instruments Conditions) and, if applicable, any sub-agent of, or any other entity appointed by the Secured Instruments Collateral Provider.

"**Secured Instruments Collateral Provider Agreement**" means the agreement between, *inter alia*, Merrill Lynch International as Secured Instruments Collateral Provider and the Issuer as amended, restated and/or supplemented from time to time. "**Secured Instrument Event of Default**" has the meaning given in Secured Static/Floating Instruments Condition 4.8.

"**Secured Instruments Valuation Agent**" means Merrill Lynch International (or any substitute or replacement entity (including any Replacement Secured Instruments Valuation Agent) appointed in respect thereof pursuant to the terms of the Valuation Agency Agreement and/or these Secured Static/Floating Instruments Conditions) and, if applicable, any sub-agent of, or any other entity appointed by the Secured Instruments Valuation Agent.

"**Specified Static Collateral Assets**" has the meaning given in Secured Static/Floating Instruments Condition 9.2.

"**Static Collateral Assets**" means, in respect of a Series of Secured Instruments, Eligible Static Collateral Assets that are Delivered into and held in the Collateral Account relating to such Series of Secured Instruments.

"**Static Collateral Hedge Termination Costs**" means, in connection with any early redemption or early settlement of any Series of Secured Instruments, any losses or costs (expressed as a positive number) to the Issuer and/or its Affiliates that are incurred under then prevailing circumstances in unwinding any hedging arrangements in respect of the aggregate principal amount (in respect of Secured Instruments that are Secured Notes) or the aggregate Notional Amount (in respect of Secured Instruments that are Secured W&C Instruments) of each Non-Waived Instrument in such Series of Secured Instruments (including any cost of funding in respect of such hedging arrangements) and/or the Static Collateral Assets in the Collateral Pool which secures such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion.

"**Static Collateral Specified Percentage**" means the percentage specified as such in the applicable Final Terms.

"**Static Collateral Test**" means, in respect of a Collateral Pool and a Collateral Test Date, a determination as to whether the Pool Aggregate Collateral Nominal Amount in respect of such Collateral Test Date is greater than or equal to the Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount in respect of such Collateral Test Date.

"**Triparty Account Control Agreement**" means the agreement to be entered into between the Collateral Agent, the Secured Instruments Collateral Provider and the Security Agent on each Issue Date specified in the applicable Final Terms for a Series of Secured Instruments, as amended, restated and/or supplemented from time to time.

"**Undeliverable Collateral Assets**" means Static Collateral Assets which the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) is unable to deliver in accordance with Secured Static/Floating Instruments Condition 6.8 due to the occurrence of a Physical Delivery of Collateral Assets Disruption Event.

"**Valuation Agency Agreement**" means the agreement between, *inter alia*, the Secured Instruments Valuation Agent and the Issuer as amended, restated and/or supplemented from time to time.

"**Waived Instrument**" means, all Secured Instruments held by the Issuer or its Affiliates, including but not limited to, in its capacity as market maker (if applicable), and, in respect of each such Secured Instrument, the Issuer or its Affiliates shall be deemed to have waived its rights (a) to receive the proceeds of realisation of the Collateral Assets securing such Series of Secured Instruments (and where "Physical Delivery of Static Collateral Assets" is specified as applicable in the applicable Final Terms, delivery of the Static Collateral Assets) following the enforcement of the relevant Deed of Charge and Charged Documents or the cancellation of such

Series of Secured Instruments following the occurrence of a Collateral Asset Default and (b) to give an Acceleration Notice on the occurrence of a Secured Instrument Event of Default.

3. **General**

3.1 **Issuer of Secured Instruments**

MLBV may issue Secured Notes. MLBV and MLICo. may issue Secured W&C Instruments. References herein to "Issuer" shall be to MLBV and/or MLICo, as applicable.

The Secured Instruments will not be guaranteed by any entity. Each reference in the Notes Conditions and the W&C Instruments Conditions to "Guarantor", "MLBV/MLICo. Guarantee", "Guarantee" and "Guarantees" shall be deemed to be deleted in respect of Secured Notes and Secured W&C Instruments.

3.2 **Security Agent**

In relation to each Series of Secured Instruments, The Bank of New York Mellon shall be appointed as Security Agent and shall undertake the duties of Security Agent in respect of the Secured Static/Floating Instruments as set out below and in the applicable Final Terms, the relevant Deed of Charge and in the Security Agency Agreement. Each Party to the Security Agency Agreement has irrevocably and unconditionally waived, and each Secured Party is deemed to have irrevocably and unconditionally waived, any and all right to trial by jury in action, suit or counterclaim arising in connection with the Security Agency Agreement. The expression "Security Agent" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity appointed as Security Agent in respect thereof pursuant to the terms of the Security Agency Agreement.

In relation to each Series of Secured Instruments, the Security Agent will enter into a Deed of Charge. Under the terms of the relevant Deed of Charge:

(a) the Secured Instruments Collateral Provider will covenant to the Security Agent for itself, the Holders of the Non-Waived Instruments and the other relevant Secured Parties under the Security Agency Agreement that it will duly and punctually pay or discharge the Issuer's obligations in respect of the Series of Secured Instruments to which the Deed of Charge relates and under the Charged Documents, the relevant Deed of Charge and the Security Agency Agreement (the "**Secured Obligations**"), provided that the covenant of the Secured Instruments Collateral Provider to pay the Secured Obligations shall be limited to an amount equal to the proceeds of enforcement of the Collateral Assets; the Secured Instruments Collateral Provider's covenant shall be satisfied only from those proceeds and the Security Agent shall have no remedy against the Secured Instruments Collateral Provider in relation to such covenant other than the enforcement of the security granted by the Deed of Charge; and

(b) the Security Agent will hold the rights granted to it under the relevant Deed of Charge for itself, the Holders of the Non-Waived Instruments and the other relevant Secured Parties under the Security Agency Agreement.

In performing its role under the Programme, the Security Agent does not act as an advisor to or fiduciary or trustee for the Holders of the Secured Instruments or any other party and nothing in any of the documents relating to the Programme shall be interpreted to constitute the Security Agent as a trustee or fiduciary of the Issuer, the Secured Instruments Collateral Provider, the Holders or any other party.

3.3 **Secured Instruments Collateral Provider**

Merrill Lynch International shall undertake the duties of Secured Instruments Collateral Provider in respect of each Series of Secured Instruments as set out in these Secured Static/Floating Instruments Conditions and in the applicable Final Terms and as further provided for in the Secured Instruments Collateral Provider Agreement. The expression "Secured Instruments Collateral Provider" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity appointed as Secured Instruments Collateral Provider in

respect thereof pursuant to the terms of the relevant Secured Instruments Collateral Provider Agreement.

3.4 **Collateral Agent**

The Bank of New York Mellon, London Branch shall undertake the duties of Collateral Agent in respect of each Series of Secured Instruments as set out in the relevant Triparty Account Control Agreement in respect of the relevant Series of Secured Instruments. The expression "Collateral Agent" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity appointed as Collateral Agent in respect thereof pursuant to the terms of the relevant Triparty Account Control Agreement.

3.5 **Custodian**

The Bank of New York Mellon, London Branch shall undertake the duties of Custodian to the Secured Instruments Collateral Provider in respect of each Series of Secured Instruments under the terms of the Custodian Agreement to the extent to which those terms relate to the Collateral Assets. The Custodian Agreement provides for the establishment of cash accounts and securities accounts in the name of the Secured Instruments Collateral Provider. The Secured Instruments Collateral Provider shall instruct the Custodian to open a segregated Collateral Account in respect of each Series of Secured Instruments and the relevant Collateral Account shall be operated by the Collateral Agent in accordance with the terms of the relevant Triparty Account Control Agreement. The expression "Custodian" shall include any substitute or replacement entity appointed as Custodian in respect thereof pursuant to the terms of the Custodian Agreement.

3.6 **Secured Instruments Valuation Agent**

Merrill Lynch International shall undertake the duties of Secured Instruments Valuation Agent in respect of the Secured Instruments as set out in these Secured Static/Floating Instruments Conditions and in the applicable Final Terms and as further provided for in the Valuation Agency Agreement. The expression "Secured Instruments Valuation Agent" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity (including any Replacement Secured Instruments Valuation Agent) appointed as Secured Instruments Valuation Agent in respect thereof pursuant to the terms of the Valuation Agency Agreement.

In making determinations and calculations under these Secured Static/Floating Instruments Conditions, the Secured Instruments Valuation Agent shall act in good faith and in a commercially reasonable manner. In relation to each Series of Secured Instruments, the Secured Instruments Valuation Agent acts solely as an agent of the Issuer, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders.

3.7 **Termination and Replacement**

Each of the Collateral Transaction Documents contain, or will contain, provisions for the termination of such agreement and, as the case may be, the removal or replacement of the role of the relevant Collateral Arrangement Party appointed thereunder. Any such termination, removal and/or replacement will be effected in accordance with the provisions of such agreements and (other than in respect of the Custodian or the Collateral Agent) these Secured Static/Floating Instruments Conditions and may be effected without the consent of Holders, provided that, in respect of the appointment of a replacement Secured Instruments Valuation Agent in accordance with Secured Static/Floating Instrument Condition 6.11 and the Security Agency Agreement, the Security Agent shall not be required to consider the provisions regarding the appointment of a replacement Secured Instruments Valuation Agent contained in the Valuation Agency Agreement. No such termination or removal shall be effective until a replacement entity has been appointed. The Secured Instruments Valuation Agent shall be required to give notice to Holders of any such termination, removal and/or replacement in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*). Any reference to a Collateral Arrangement Party in these Secured Static/Floating Instruments Conditions shall be deemed to include a reference to any entity appointed as a replacement thereof.

A replacement Collateral Arrangement Party may only be appointed when the following conditions are fulfilled: the replacement Collateral Arrangement Party (other than the replacement Custodian or Collateral Agent): (i) is an institution incorporated and in good standing in the United States of America or one of the States thereof or in a state which is, as at the date of the relevant Collateral Transaction Document, a member state of the European Union or the United Kingdom; (ii) has the requisite resources and legal capacity to perform the duties imposed upon the relevant existing Collateral Arrangement Party under the relevant Collateral Transaction Document and is a recognised provider of the services provided by such Collateral Arrangement Party; (iii) is legally qualified and has the capacity to act as successor to the relevant Collateral Arrangement Party on the terms of the relevant Collateral Transaction Document; and (iv) whose performance of its duties under the relevant Collateral Transaction Document will not cause the Issuer and/or Secured Instruments Collateral Provider to become subject to tax in any jurisdiction where such successor is incorporated, established, doing business, has a permanent establishment or is otherwise considered tax resident.

The Security Agency Agreement contains, or will contain, provisions for the termination of such agreement and the removal or replacement of the Security Agent appointed thereunder. Any such termination, removal and/or replacement will be effected in accordance with the provisions of the Security Agency Agreement and may be effected without the consent of Holders. No such termination or removal shall be effective until a replacement Security Agent has been appointed.

3.8 **Notices**

Where any provision of these Secured Static/Floating Instruments Conditions requires one party to deliver a notice to another party, such notice may be delivered in any form agreed between the parties thereto, including but not limited to, by post, electronic message, fax, exchange of electronic files, SWIFT messages, messages through the relevant clearing system or by telephone (provided that any notice given by telephone must, as soon as reasonably practicable, be confirmed in writing between the parties to such telephone conversation and failure to obtain such confirmation shall not invalidate such notice).

4. **Security**

4.1 **Security**

The obligations of the Issuer in respect of the Secured Instruments will be secured by a Deed of Charge pursuant to which:

(a) the Secured Instruments Collateral Provider charges by way of first fixed charge its rights and title in the Collateral Assets contained in one or more Collateral Accounts. The security interest granted shall be over all of the Secured Instruments Collateral Provider's rights in and to the Collateral Assets Delivered into and held from time to time in the relevant segregated account established with the Custodian pursuant to and in accordance with the applicable terms of the relevant Triparty Account Control Agreement and the Custodian Agreement for such purpose (the "**Collateral Account**"), excluding any interest or distributions paid on such Collateral Assets to the extent such amounts are not held in the relevant Collateral Account; and

(b) the Secured Instruments Collateral Provider assigns by way of security its rights, title and interest in the Collateral Accounts (including, without limitation, any contractual interests or claims relating to such Collateral Accounts) and the Charged Documents,

in favour of the Security Agent to hold for itself and on behalf of, the relevant Holders and the other relevant Secured Parties under the Security Agency Agreement.

Following the delivery of a Collateral Enforcement Notice, any interest or distributions paid in respect of the Collateral Assets held in the Collateral Account will be credited to the Collateral Account and will be subject to the fixed charge set forth in paragraph (a) above (and such interest or distributions shall be deemed to be MTM Collateral Assets).

4.2 **Collateral Pools**

Each Series of Secured Instruments will be secured by a separate Collateral Pool comprising Collateral Assets held in a segregated Collateral Account.

4.3 **Initial Collateral Assets**

On the Issue Date of a Series of Secured Instruments, the Secured Instruments Collateral Provider shall:

(a) deposit Static Collateral Assets in the relevant Collateral Account such that the Static Collateral Test will be satisfied on the Collateral Test Date falling on such Issue Date; and

(b) deposit MTM Collateral Assets in the relevant Collateral Account such that the MTM Collateral Test will be satisfied on the Collateral Test Date falling on such Issue Date.

4.4 **Adjustments to Collateral Assets**

On the Collateral Business Day immediately preceding a Collateral Test Date, the Secured Instruments Valuation Agent will determine:

(a) the portion of the Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for such Collateral Test Date that relates to each Non-Waived Instrument of the relevant Series of Secured Instruments and will use that value to determine the MTM Collateral Specified Percentage of the Required MTM Collateral Value; and

(b) the Static Collateral Specified Percentage of the Required Static Collateral Nominal Amount,

and will send a Collateral Test Notice to the Collateral Agent by no later than 4.30 p.m. London time on such Collateral Test Date, or such other time as may be agreed between the Secured Instruments Collateral Provider and the Collateral Agent from time to time. On the Collateral Business Day immediately preceding a Collateral Test Date, the Secured Instruments Valuation Agent will notify the relevant Instrument Agent, with a copy to the Security Agent, of the aggregate principal amount or number, as applicable, of outstanding Non-Waived Instruments as of such date.

On each Collateral Test Date, the Collateral Agent will determine the Pool Aggregate Collateral Nominal Amount and will verify that the Static Collateral Test is satisfied.

On each Collateral Test Date, the Collateral Agent will calculate the Collateral Value of the MTM Collateral Assets in the Collateral Account and verify that the MTM Collateral Test is satisfied. When determining whether the Collateral Test is satisfied on a Collateral Test Date, Collateral Assets for which instructions for the transfer to the relevant Collateral Account have been provided on or before such Collateral Test Date will be included for the purposes of such determination provided that sufficient Eligible MTM Collateral Assets and Eligible Static Collateral Assets are held in the Custodian Account to effect such transfer and Collateral Assets for which instructions for the removal from the relevant Collateral Account have been provided on or before such Collateral Test Date will be excluded for the purposes of such determination.

In determining whether the Collateral Test is satisfied, the Collateral Agent will verify that the relevant Collateral Assets comply with the eligibility criteria specified in the collateral schedule of the relevant Triparty Account Control Agreement. The Secured Instruments Collateral Provider shall be solely responsible for ensuring that the Eligibility Criteria specified in the applicable Final Terms is substantively identical to the eligibility criteria specified in the collateral schedule of the Triparty Account Control Agreement and the Collateral Agent shall not be liable to the Holders or any party for any discrepancy therein.

If, on the relevant Collateral Test Date, the Collateral Agent determines that the Collateral Test is not satisfied, the Collateral Agent will promptly send the Secured Instruments Collateral Provider a Collateral Agent Notice. On the date such Collateral Agent Notice is given, the Secured Instruments Collateral Provider will instruct the Collateral Agent to transfer sufficient

additional Eligible MTM Collateral Assets or Eligible Static Collateral Assets (as applicable) into the relevant Collateral Account to satisfy the Collateral Test.

The Secured Instruments Collateral Provider will ensure that sufficient Eligible MTM Collateral Assets and Eligible Static Collateral Assets are Delivered into the relevant Collateral Account on or before each Collateral Test Date to satisfy the Collateral Test in respect of such Collateral Test Date for the relevant Series of Secured Instruments.

4.5 **Substitution or withdrawal of Collateral Assets**

The Secured Instruments Collateral Provider may, subject to the terms of the relevant Triparty Account Control Agreement, withdraw and/or replace MTM Collateral Assets from the relevant Collateral Account provided that following such adjustment the Collateral Test continues to be satisfied. The Secured Instruments Collateral Provider will send or cause to be sent a notice to the Collateral Agent specifying the adjustments to be made to the Collateral Pool (including *inter alia* the type and quantity of any MTM Collateral Assets to be deposited and/or removed).

The Issuer and the Secured Instruments Collateral Provider shall not be entitled to withdraw and/or replace Static Collateral Assets from the relevant Collateral Account on any day, provided that the Secured Instruments Collateral Provider may on any Collateral Test Date withdraw from the relevant Collateral Account an aggregate nominal amount of Static Collateral Assets equal to (a) in respect of Secured Instruments that are Secured Notes, the total aggregate principal amount of Non-Waived Instruments that are converted into Waived Instruments or (b) in respect of Secured Instruments that are Secured W&C Instruments, the sum of the Notional Amount of each Non-Waived Instrument that is converted into a Waived Instrument, if, following such withdrawal on such Collateral Test Date, (x) the Collateral Test continues to be satisfied, and (y) if the Eligible Static Collateral Assets specified in the applicable Final Terms is a Basket of Eligible Debt Securities, the aggregate nominal amount of each Eligible Debt Security in the Basket of Eligible Debt Securities expressed as a percentage of the Pool Aggregate Collateral Nominal Amount on such Collateral Test Date is equal to its Eligible Debt Security Weighting.

4.6 **Delegation to Secured Instruments Collateral Provider**

The Issuer has, pursuant to the terms of the Secured Instruments Collateral Provider Agreement, delegated to the Secured Instruments Collateral Provider the role of managing each Collateral Pool to comply with the requirements of these Secured Static/Floating Instruments Conditions (including, but not limited to, compliance with Secured Static/Floating Instruments Conditions 4.3, 4.4 and 4.5).

4.7 **Required Collateral Default**

Following the occurrence of a Required Collateral Default, the Collateral Agent shall send a Required Collateral Default Notice to the Secured Instruments Collateral Provider and the Security Agent, specifying that a Required Collateral Default has occurred. The Secured Instruments Collateral Provider shall notify the Issuer of the Required Collateral Default Notice. The Security Agent shall as soon as reasonably practicable after receiving a Required Collateral Default Notice give notice to the relevant Instrument Agent and the relevant Instrument Agent will as soon as reasonably practicable give notice in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) or in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) to all relevant Holders of the receipt of a Required Collateral Default Notice.

4.8 **Secured Instrument Event of Default**

4.8.1 The occurrence of one or more of the following events shall constitute a "**Secured Instrument Event of Default**" with respect to any Series of Secured Instruments:

(a) in respect of Secured Notes:

(i) default shall be made in the payment of any amount of interest due in respect of any such Notes and the default continues for a period of 30 calendar days after the due date; or

(ii) default shall be made in the payment of any principal of any such Notes or in the delivery when due of the Entitlement in respect of any such Notes (in each case whether at maturity or upon redemption or otherwise), and such default continues for a period of 30 calendar days after the due date;

(b) in respect of Secured W&C Instruments:

(i) default shall be made in the payment of any Additional Amount due in respect of any such Non-Waived Instruments and the default continues for a period of 30 calendar days after the due date; or

(ii) default shall be made in the payment of any Cash Settlement Amount or other termination amount of any such Non-Waived Instruments or in the delivery when due of the Entitlement in respect of any such Non-Waived Instruments (in each case whether at settlement or upon redemption or otherwise), and such default continues for a period of 30 calendar days after the due date; or

(c) the Issuer shall fail to perform or observe any other term, covenant or agreement contained in the Terms and Conditions applicable to any of such Secured Instruments or in the Agency Agreement for the period of 90 calendar days after the date on which written notice of such failure, requiring the Issuer, as the case may be, to remedy the same, first shall have been given to the relevant Instrument Agent (which will give notice to the Security Agent) and the Issuer by Holders of at least 33 per cent. of, (i) in respect of Secured Instruments that are Secured Notes, the aggregate principal amount of any such Non-Waived Instruments outstanding, or, (ii) in respect of Secured Instruments that are Secured W&C Instruments, the aggregate Notional Amount or by number (as applicable) of any such Non-Waived Instruments outstanding; or

(d) a court having jurisdiction in the premises shall have entered a decree or order granting relief with respect to the Issuer in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of the Issuer or of all or substantially all of its property or for the winding up or liquidation of its affairs, and such decree or order shall have remained in force and unstayed for a period of 60 consecutive calendar days; or

(e) the Issuer shall institute proceedings for relief under any applicable bankruptcy, insolvency or any other similar law now or hereafter in effect, or shall consent to the institution of any such proceedings against it, or shall consent to the appointment of a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of it or of all or substantially all of its property, or shall make an assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of any of the foregoing; or

(f) a Required Collateral Default has occurred; or

(g) any of (i) a failure by the Issuer and/or Secured Instruments Collateral Provider to comply with or perform any undertaking or obligation to be complied with or performed by it in accordance with the Security Agency Agreement or the relevant Deed of Charge if such failure is continuing after any applicable grace period has elapsed, the expiration or termination of such Security Agency Agreement or Deed of Charge, or (ii) the failing or cessation of such Security Agency Agreement or Deed of Charge, or any security granted by the Issuer and/or Secured Instruments Collateral Provider, to be in full force and effect prior to the satisfaction of all the obligations of such party under these Secured Static/Floating W&C Instruments Conditions or (iii) the Issuer and/or Secured Instruments Collateral Provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Security Agency Agreement or Deed of Charge

(or such action is taken by any person or entity appointed or empowered to act on the Issuer's and/or Secured Instruments Collateral Provider's behalf).

If a Secured Instrument Event of Default shall occur and be continuing with respect to any Series of Secured Instruments, then any Holder may, at its option, send an Acceleration Notice through the relevant Clearing System to the relevant Instrument Agent. If the Holder(s) of at least 33 per cent. (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments outstanding send Acceleration Notice(s) through the relevant Clearing System to the relevant Instrument Agent, and if any such default is not waived in accordance with Secured Static/Floating Instruments Condition 4.8.4 below or cured by the Issuer prior to receipt by the relevant Instrument Agent of the latest of such Acceleration Notice(s) required to exceed the 33 per cent. threshold specified above, an "**Acceleration Event**" shall occur in respect of such Series of Secured Instruments.

4.8.2 The relevant Instrument Agent will as soon as reasonably practicable after the occurrence of an Acceleration Event send a notice (in or substantially in the form set out at Schedule 23 of the Agency Agreement) (an "**Acceleration Instruction**") to the Security Agent confirming that the Holders of at least 33 per cent. (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of the Non-Waived Instruments outstanding have delivered Acceleration Notices thereby instructing the Security Agent to:

(a) deliver the notices specified in Secured Static/Floating Instruments Condition 6.1;

(b) enforce the security constituted by the relevant Deed of Charge and distribute the proceeds (and, if applicable, physically settle the Entitlement), in each case, in accordance with its terms and the provisions of these Secured Static/Floating Instruments Conditions and the Security Agency Agreement;

(c) appoint a Disposal Agent, if a Disposal Agent has not already been appointed, and provide instructions to the Disposal Agent in accordance with these Secured Static/Floating Instruments Conditions; and

(d) perform any further actions of the Security Agent specified in these Secured Static/Floating Instruments Conditions, the relevant Deed of Charge and the Security Agency Agreement or any reasonable incidental actions,

provided that if, at any time before the Security Agent has taken any steps to enforce the security constituted by the related Security Agency Agreement and/or Deed of Charge or a judgment or decree for payment of the money due with respect to such Secured Instruments has been obtained by any Holder, the Security Agent is notified in writing by the relevant Instrument Agent that the occurrence of an Acceleration Event and its consequences have been rescinded and annulled in accordance with Secured Static/Floating Instruments Condition 4.8.3 below, then such Acceleration Instruction shall be deemed not to have been given and the Security Agent shall be entitled to rely on any such notification from the relevant Instrument Agent without further enquiry and shall incur no liability to the Holders or any other party for any action taken or not taken prior to or as a result of such notification.

4.8.3 At any time following the occurrence of an Acceleration Event and before (i) the Security Agent has taken any steps to enforce the security constituted by the related Security Agency Agreement and/or Deed of Charge or (ii) a judgment or decree for payment of the money due with respect to such Secured Instruments has been obtained by any Holder, the occurrence of an Acceleration Event and its consequences may be rescinded and annulled upon the written consent of Holders of a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments then outstanding, or by resolution adopted by a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are

Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments outstanding present or represented at a meeting of Holders at which a quorum is present, as provided in the Agency Agreement, if:

(a) (i) the Issuer has paid, or has deposited with the relevant Clearing System, a sum sufficient to pay:

(A) in respect of Secured Notes:

(1) all overdue amounts of interest on such Secured Notes;

(2) the principal of such Secured Notes which has become due otherwise by such declaration of acceleration; or

(B) in respect of Secured W&C Instruments:

(1) all overdue Additional Amounts on such Secured W&C Instruments;

(2) the Cash Settlement Amount or other termination amount of such Secured W&C Instruments which has become due otherwise than by such declaration of acceleration; or

(ii) in the case of Secured Instruments to be settled by physical delivery, the Issuer has delivered the relevant assets to any agent appointed by the Issuer to deliver such assets to the Holders of the Non-Waived Instruments; and

(b) all Secured Instrument Events of Default with respect to such Secured Instruments, other than the non-payment of the applicable principal amount, Cash Settlement Amount or other termination amount of such Secured Instruments which has become due solely by such declaration of acceleration, have been cured or waived as provided in Secured Static/Floating Instruments Condition 4.8.4 below.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

4.8.4 Any default by the Issuer and/or Secured Instruments Collateral Provider, other than the events described in Secured Static/Floating Instruments Condition 4.8.1(a) or Secured Static/Floating Instruments Condition 4.8.1(b), and other than an event described in Secured Static/Floating Instruments Condition 4.8.1(c) in respect of a covenant or provision of the Terms and Conditions which cannot be amended or modified without the passing of an Extraordinary Resolution of Holders, may be waived by the written consent of Holders of a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments then outstanding affected thereby, or by resolution adopted by a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments then outstanding present or represented at a meeting of Holders affected thereby at which a quorum is present, as provided in the Agency Agreement. Upon any such waiver, such default shall cease to exist, and any Secured Instrument Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the Agency Agreement, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

4.8.5 Notes Condition 11 (*Events of Default and Rights of Acceleration*) shall not apply in respect of Secured Notes.

4.8.6 Notwithstanding anything to the contrary in the Secured Instruments Conditions or any other agreement, a holder shall not be permitted to exercise any default right with respect to any Secured Instrument or the Collateral Transaction Documents that is related, directly or indirectly, to an affiliate (as such term is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k)) of the Issuer becoming subject to a receivership, insolvency, resolution or similar proceeding (an "**Insolvency Proceeding**"). However, nothing in this paragraph shall

restrict the exercise by a holder of any default right against the Issuer with respect to the Secured Instrument that arises as a result of (i) the Issuer becoming subject to an Insolvency Proceeding, (ii) the Issuer not satisfying a payment or delivery obligation pursuant to such Secured Instrument, or (iii) the failure of the Secured Instrument Collateral Provider, or any transferee thereof, to satisfy a payment or delivery obligation pursuant to the Collateral Transaction Documents or any other credit enhancement that supports the Secured Instrument. After an affiliate of the Issuer becomes subject to an Insolvency Proceeding, a Holder seeking to exercise a default right against the Issuer with respect to the Secured Instrument or the Collateral Transaction Documents shall have the burden of proof, by clear and convincing evidence, that the exercise of such default right is permitted thereunder. For purposes of this paragraph, "**default right**" has the meaning assigned to that term in, and shall be interpreted in accordance with 12 C.F.R. § 252.81, 12 C.F.R. § 382.1 and 12 C.F.R. § 47.1, as applicable.

4.8.7 Nothing in the Secured Instruments Conditions or the Collateral Transaction Documents shall prohibit the transfer of the Collateral Transaction Documents, any interest or obligation in or under such Collateral Transaction Documents, or any property securing such Collateral Transaction Documents to a transferee upon or following an affiliate (as such term is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k)) of the Issuer becoming subject to an Insolvency Proceeding.

4.9 **Status**

4.9.1 **Secured Notes**

Notes Condition 3 (*Status of the Notes and the Guarantees*) shall not apply to the Secured Notes. The Secured Notes constitute direct, limited recourse, unsubordinated and secured obligations of the Issuer and rank equally among themselves.

Notwithstanding Notes Condition 3 (*Status of the Notes and the Guarantees*), the obligations of the Guarantor under the Guarantees shall not apply to Secured Notes. **The Secured Notes are not guaranteed by the Guarantor or any other entity.**

4.9.2 **Secured W&C Instruments**

W&C Instruments Condition 2 (*Status of the W&C Instruments and MLBV/MLICo. Guarantee*) shall not apply to the Secured W&C Instruments. The Secured W&C Instruments constitute direct, limited recourse, unsubordinated and secured obligations of the Issuer and rank equally among themselves.

Notwithstanding W&C Instruments Condition 2 (*Status of the W&C Instruments and MLBV/MLICo. Guarantee*), the obligations of the Guarantor under the MLBV/MLICo. Guarantee shall not apply to Secured W&C Instruments. **The Secured W&C Instruments are not guaranteed by the Guarantor or any other entity.**

5. **Secured Instruments Collateral Provider, Collateral Agent, Custodian, Security Agent, Secured Instruments Valuation Agent and relevant Instrument Agent**

In relation to each Series of Secured Instruments, the Secured Instruments Valuation Agent acts solely as an agent of the Issuer, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. In relation to each issue of Secured Instruments, the Collateral Agent acts solely as an agent of the Secured Instruments Collateral Provider, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders or the Issuer.

The Secured Instruments Collateral Provider acts as an arms-length third party and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. For the avoidance of doubt, the Custodian does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders, the Issuer or the Security Agent.

In acting in connection with any Series of Secured Instruments, the Security Agent does not act as an advisor to or fiduciary or trustee for the Holders or any other party and nothing in any of the documents relating to the Programme shall be interpreted to constitute the Security Agent

as a trustee or fiduciary of the Issuer, the Secured Instruments Collateral Provider, the Holders or any other party.

All calculations and determinations made in respect of the Secured Instruments by the Secured Instruments Collateral Provider, Collateral Agent and Secured Instruments Valuation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Holders and the Security Agent (as applicable).

Each of the Secured Instruments Collateral Provider and Secured Instruments Valuation Agent may, with the consent of the Issuer, delegate any of their obligations and functions to a third party as provided for in the Secured Instruments Collateral Provider Agreement, Valuation Agency Agreement and each Triparty Account Control Agreement, as applicable. The Collateral Agent may delegate any of its obligations and functions to a third party as provided for in the relevant Triparty Account Control Agreement.

In acting in connection with any Series of Secured Instruments, the relevant Instrument Agent shall act solely as an agent of the Issuer and will not assume any obligations towards or relationship of agency or trust for or with any of the Holders of such Secured Instruments.

6. Default, Enforcement and Realisation

6.1 Acceleration and Enforcement of Collateral

If the Security Agent receives an Acceleration Instruction, the Security Agent shall (acting in accordance with such Acceleration Instruction), as soon as reasonably practicable:

(i) deliver a Collateral Enforcement Notice (in or substantially in the form annexed to the relevant Deed of Charge) in respect of such Series of Secured Instruments to each of the Issuer, the Secured Instruments Collateral Provider and the relevant Instrument Agent;

(ii) deliver a Notice of Exclusive Control (in or substantially in the form annexed to the relevant Triparty Account Control Agreement) in respect of the Collateral Account of such Series of Secured Instruments to the Collateral Agent;

(iii) give notice to the relevant Instrument Agent of the occurrence of an Acceleration Event and the delivery of such Collateral Enforcement Notice and Notice of Exclusive Control and the relevant Instrument Agent will give notice of the same in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) or, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) to all relevant Holders; and

(iv) appoint a Disposal Agent, if a Disposal Agent has not already been appointed, and provide instructions to the Disposal Agent in accordance with the Secured Static/Floating Instruments Conditions.

Upon delivery of the Collateral Enforcement Notice, all Secured Instruments in respect of which the Collateral Enforcement Notice is served will become immediately due and repayable at their Early Redemption/Settlement Amount and, where "Physical Delivery of Collateral Assets" is specified to be applicable in the applicable Final Terms, such Secured Instruments will also be subject to settlement in accordance with Secured Static/Floating Instruments Condition 6.9.

As soon as reasonably practicable following the delivery of a Collateral Enforcement Notice, the Issuer shall, and shall procure that its Affiliates that hold Waived Instruments, of the Series of Secured Instruments in respect of which the Collateral Enforcement Notice is served, submit such Waived Instruments for cancellation free of payment and, following such cancellation, the Secured Instruments Valuation Agent shall notify the Security Agent of the principal amount or number, as applicable, of outstanding Non-Waived Instruments of such Series.

6.2 Definition of "Early Redemption/Settlement Amount"

6.2.1 Following notification of the MTM Collateral Enforcement Proceeds and, where "Physical Delivery of Static Collateral Assets" is specified to be not applicable in the applicable Final Terms, the Static Collateral Enforcement Proceeds by the Security Agent or the Disposal Agent

(acting on behalf of and at the instruction of the Security Agent) to the Secured Instruments Valuation Agent in accordance with Secured Static/Floating Instruments Condition 6.3, the Early Redemption/Settlement Amount payable in respect of a Non-Waived Instrument of such Series shall be determined by the Secured Instruments Valuation Agent in accordance with paragraph (a) or (b) below (as applicable):

(a) if the applicable Final Terms specify "Physical Delivery of Static Collateral Assets" to be not applicable, an amount in the Settlement Currency equal to the greater of zero and the sum of:

(i) the lesser of:

(A) an amount equal to the portion of the Marked-to-Market Derivative Hedge Value that relates to such Non-Waived Instrument, determined in respect of the Derivative Hedge Valuation Time for the Collateral Test Date immediately preceding the delivery of a Collateral Enforcement Notice; and

(B) the difference between (I) the Adjusted MTM Collateral Enforcement Proceeds Share minus (II) such Non-Waived Instrument's *pro rata* share of the Derivative Hedge Termination Costs; plus

(ii) the difference between (A) the Static Collateral Enforcement Proceeds Share minus (B) such Non-Waived Instrument's *pro rata* share of the Static Collateral Hedge Termination Costs; or

(b) if the applicable Final Terms specify "Physical Delivery of Static Collateral Assets" to be applicable, an amount in the Settlement Currency equal to the greater of zero and the lesser of:

(i) an amount equal to the portion of the Marked-to-Market Derivative Hedge Value that relates to such Non-Waived Instrument, determined in respect of the Derivative Hedge Valuation Time for the Collateral Test Date immediately preceding the delivery of a Collateral Enforcement Notice; and

(ii) the difference between (A) the MTM Collateral Enforcement Proceeds Share minus (B) the sum of (I) such Non-Waived Instrument's *pro rata* share of the Derivative Hedge Termination Costs, plus (II) such Non-Waived Instrument's *pro rata* share of the Static Collateral Hedge Termination Costs.

6.2.2 For the purposes of these Secured Static/Floating Instruments Conditions, the following definitions will apply:

"**Adjusted MTM Collateral Enforcement Proceeds Share**" means the sum of the MTM Collateral Enforcement Proceeds Share plus the Excess Static Collateral Enforcement Proceeds Share, as determined by the Secured Instruments Valuation Agent.

"**Collateral Enforcement Proceeds**" means the sum of the MTM Collateral Enforcement Proceeds plus the Static Collateral Enforcement Proceeds (if any), as determined by the Secured Instruments Valuation Agent.

"**Collateral Enforcement Proceeds Share**" means the sum of the MTM Collateral Enforcement Proceeds Share plus the Static Collateral Enforcement Proceeds Share (if any), as determined by the Secured Instruments Valuation Agent, as determined by the Secured Instruments Valuation Agent.

"**Excess Static Collateral Enforcement Proceeds Share**" means, in respect of a Non-Waived Instrument, the greater of zero and the difference between (a) the Static Collateral Enforcement Proceeds Share minus (b) the sum of (i) in respect of Secured Instruments that are Secured Notes, the principal amount of such Non-Waived Instrument (equal to the specified denomination of such Non-Waived Instrument) or, in respect of Secured Instruments that are Secured W&C Instruments, the Notional Amount of such Non-Waived Instrument plus (ii) such

Non-Waived Instrument's *pro rata* share of the Static Collateral Hedge Termination Costs, as determined by the Secured Instruments Valuation Agent.

"**MTM Collateral Enforcement Proceeds**" means the net proceeds of realisation of, or enforcement with respect to, the relevant MTM Collateral Assets in a Collateral Pool following payment of all amounts payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms.

"**MTM Collateral Enforcement Proceeds Share**" means, in respect of a Series of Secured Instruments, the *pro rata* share of the MTM Collateral Enforcement Proceeds attributable to each Non-Waived Instrument in such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent.

"**Static Collateral Enforcement Proceeds**" means the net proceeds of realisation of, or enforcement with respect to, the relevant Static Collateral Assets (excluding, if "Physical Delivery of Static Collateral Assets" is applicable, any Static Collateral Assets that are Deliverable in accordance with Secured Static/Floating Instruments Condition 6.9) in a Collateral Pool following payment of all amounts (to the extent that the proceeds of realisation of the MTM Collateral Assets are insufficient to make payment of any such amounts) payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms.

"**Static Collateral Enforcement Proceeds Share**" means, in respect of a Series of Secured Instruments, the *pro rata* share of the Static Collateral Enforcement Proceeds attributable to each Non-Waived Instrument in such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent.

6.3 **Enforcement and Realisation**

Following delivery of a Collateral Enforcement Notice in respect of the relevant Series of Secured Instruments, the Security Agent (acting in accordance with an Acceleration Instruction) shall enforce the security constituted by the relevant Deed of Charge relating to the relevant Collateral Pool in accordance with the terms thereof and these Secured Static/Floating Instruments Conditions (as completed by the applicable Final Terms) and the terms of the Security Agency Agreement and will give instructions to the Disposal Agent to effect a liquidation and realisation of the Collateral Assets in the Collateral Pool which secures such Series of Secured Instruments in the following manner:

(a) if "Physical Delivery of Static Collateral Assets" is specified not to apply in the applicable Final Terms, by liquidating or realising all Collateral Assets in the Collateral Pool which secures such Series of Secured Instruments in accordance with Secured Static/Floating Instruments Condition 6.7; or

(b) if "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms:

(i) firstly, by liquidating or realising the MTM Collateral Assets in the Collateral Pool which secures such Series of Secured Instruments in accordance with Secured Static/Floating Instruments Condition 6.7;

(ii) secondly, to the extent the proceeds available following the liquidation and realisation of the MTM Collateral Assets in the Collateral Pool under sub-paragraph (b)(i) above are insufficient to make payment of any amounts payable to the Secured Parties ranking prior to the Holders of the Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms, by liquidating or realising an amount of Static Collateral Assets sufficient to make the remainder of such payments in accordance with Secured Static/Floating Instruments Condition 6.7 and such proceeds will not be distributed to Holders but will be distributed to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the

applicable Final Terms, provided that if the Eligible Static Collateral Assets specified in the applicable Final Terms is a Basket of Eligible Debt Securities, the amount of each Eligible Debt Security in the Basket of Eligible Debt Securities liquidated or realised pursuant to this paragraph shall be proportionate to the Eligible Debt Security Weighting of such Eligible Debt Security; and

(iii) thirdly, by liquidating or realising an amount of Static Collateral Assets sufficient to derive proceeds equal in value to any Hedge Termination Costs Shortfall in accordance with Secured Static/Floating Instruments Condition 6.7 and such proceeds will not be distributed to Holders but will be distributed to the Secured Parties ranking after the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms, provided that if the Eligible Static Collateral Assets specified in the applicable Final Terms is a Basket of Eligible Debt Securities, the amount of each Eligible Debt Security in the Basket of Eligible Debt Securities liquidated or realised pursuant to this paragraph shall be proportionate to the Eligible Debt Security Weighting of such Eligible Debt Security,

the aggregate nominal amount of Static Collateral Assets remaining in the relevant Collateral Account following such liquidation or realisation in accordance with sub-paragraph (b)(ii) and (iii) above, the "**Remaining Static Collateral Assets**". The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall notify the Secured Instruments Valuation Agent of the Static Collateral Assets comprising the Remaining Static Collateral Assets.

6.4 **Liability of the Security Agent**

The Security Agency Agreement contains provisions setting out the standards of liability of the Security Agent including providing that:

(a) in the event that any Secured Party directs the Security Agent to effect the liquidation and realisation of the Collateral Assets in the Collateral Pool which secures the relevant Series of Secured Instruments in a manner that is in accordance with the exact provisions of the Acceleration Instruction, the Security Agent shall not be under any obligation to take any further action (without prejudice to its ability to instruct the Disposal Agent to liquidate and realise the Collateral Assets for the purpose of funding the Security Agent Amounts) if it reasonably believes that (i) it would not be able to recover the Security Agent Amounts that would be incurred in connection with such action from the relevant Collateral Assets or otherwise and/or (ii) it would experience an unreasonable delay in doing so; and

(b) in the event that any Secured Party directs the Security Agent to effect the liquidation and realisation of the Collateral Assets in the Collateral Pool which secures the relevant Series of Secured Instruments in a manner other than in accordance with the exact provisions of the Acceleration Instruction, the Security Agent shall not be under any obligation to take any action unless it has first been indemnified and/or secured and/or pre-funded to its satisfaction

and, in each case, the Security Agent shall have no liability for any such failure to act.

The Security Agent will not, in the absence of its own gross negligence, fraud and wilful misconduct, have any liability in connection with its role under or for the purposes of these Secured Static/Floating Instruments Conditions and it will have no regard to the effect of such action on individual Holders. In no event shall the Security Agent be liable for any special, indirect or consequential loss or any punitive damages including (without limitation) any lost profits.

For the avoidance of doubt, the Security Agent shall be entitled to rely without enquiry on an Acceleration Instruction delivered by the Instrument Agent and on any notice of revocation of such Acceleration Instruction pursuant to Condition 4.8.2 and shall have no obligation to monitor or verify whether the relevant threshold has been met or to monitor or verify whether

any Holder that has delivered an Acceleration Notice holds Waived Instruments or Non-Waived Instruments.

6.5 **Enforcement and realisation by Holders**

No Holder shall be entitled to enforce a Deed of Charge or to proceed directly against the Secured Instruments Collateral Provider to enforce the other provisions of a Charged Document unless the Security Agent, having become bound to so enforce or proceed, fails so to do within a reasonable time and such failure is continuing or the Security Agent is prevented from enforcing a Deed of Charge by any court order. If a Holder becomes so entitled, then such Holder shall not be entitled to enforce the relevant Deed of Charge or Charged Document in the United Kingdom.

If the Security Agent becomes bound to enforce a Deed of Charge or a Charged Document and fails to do so within a reasonable time and such failure is continuing or the Security Agent is prevented from enforcing a Deed of Charge by any court order, then, without prejudice to the paragraph above, Holder(s) of at least 33 per cent. (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments outstanding may remove the Security Agent and appoint a replacement Security Agent in accordance with Secured Static/Floating Instrument Condition 3.7 and the terms of the Security Agency Agreement.

Neither the Issuer nor any Holder shall be entitled to enforce a Triparty Account Control Agreement or the Custodian Agreement or to proceed directly against the Collateral Agent or the Custodian to enforce the terms of the relevant Triparty Account Control Agreement or the Custodian Agreement (as applicable). Neither the Collateral Agent nor the Custodian shall have any liability to the Issuer or any Holder as to the consequence of any actions taken by the Collateral Agent or Custodian (as applicable).

6.6 **Application and distribution of proceeds of enforcement**

6.6.1 In connection with the enforcement of the security constituted by the relevant Deed of Charge, after the realisation and liquidation of the relevant Collateral Assets specified in Secured Static/Floating Instruments Condition 6.3 in accordance with Secured Static/Floating Instruments Condition 6.7, the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall firstly use the proceeds of such realisation and liquidation of the MTM Collateral Assets to make payment of any amounts payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms. To the extent that the proceeds of the realisation and liquidation of the MTM Collateral Assets are insufficient to make payments of any amounts payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms, the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall use the proceeds of any realisation and liquidation of the Static Collateral Assets to make payments of any such outstanding amounts.

6.6.2 Following such payments, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall notify the Secured Instruments Valuation Agent of the MTM Collateral Enforcement Proceeds and, where "Physical Delivery of Static Collateral Assets" is specified to be not applicable in the applicable Final Terms, the Static Collateral Enforcement Proceeds. The Secured Instruments Valuation Agent shall then determine the Early Redemption/Settlement Amount in respect of each Non-Waived Instrument in accordance with Secured Static/Floating Instruments Condition 6.2 and shall notify such amount to the Security Agent, the Disposal Agent and to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*).

6.6.3 Subject as provided below, the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security

Agent) shall apply the remaining proceeds from the realisation of the relevant Collateral Assets in a Collateral Pool (excluding, if "Physical Delivery of Static Collateral Assets" is applicable, any Static Collateral Assets that are deliverable in accordance with Secured Static/Floating Instruments Condition 6.9) in meeting the claims of Holders in respect of the Early Redemption/Settlement Amount payable under each Non-Waived Instrument which is secured by the relevant Collateral Pool. Notwithstanding the foregoing, the proceeds of any Static Collateral Assets realised or liquidated in accordance with Secured Static/Floating Instruments Condition 6.3(b)(iii) will not be distributed to Holders but will be distributed to the Secured Parties ranking after the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms.

If the Collateral Enforcement Proceeds Share for a particular Non-Waived Instrument is greater than the Early Redemption/Settlement Amount of such Non-Waived Instrument, then such excess amount will not be distributed to such Holder but will be distributed to the Secured Parties ranking after the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms.

6.6.4 The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall determine the date for distribution of the remaining proceeds to Holders in accordance with Secured Static/Floating Instruments Condition 6.6.3 and shall notify such date to the relevant Instrument Agent and the relevant Instrument Agent shall notify Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*).

6.6.5 Moneys held by the Security Agent shall be deposited in its name in an account at such bank or other financial institution as the Security Agent may, acting in good faith and in a commercially reasonable manner, think fit. Any interest paid by such bank or financial institution on such moneys shall be deemed to be MTM Collateral Assets.

6.6.6 To the extent that any proceeds from the liquidation or realisation of the relevant Collateral Assets in a Collateral Pool are not in the Settlement 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 Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), having regard to then-current rates of exchange. Any rate, method and date so specified shall be binding on the Issuer, the Secured Instruments Collateral Provider and the Holders.

6.7 **Method of realisation of Collateral Assets**

Subject as may otherwise be provided for in these Secured Static/Floating Instruments Conditions, in effecting the sales, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) may sell the relevant Collateral Assets in one single tranche or in smaller tranches as it considers appropriate in order to attempt reasonably to maximise the proceeds from such sale. The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) may effect sales of the Collateral Assets (a) on any securities exchange or quotation service on which the Collateral Assets may be listed or quoted, (b) in the over-the-counter market or (c) in transactions otherwise than on such exchanges or in the over-the counter market.

Where the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) disposes of any Collateral Assets other than on any securities exchange or quotation service on which the Collateral Assets may be listed or quoted then:

(a) the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall seek firm bid quotations from at least three independent dealers in assets similar in nature to the relevant Collateral Assets (and, for such purpose, it may seek quotations in respect of such Collateral Assets in their entirety or in respect of a designated part or proportion thereof, as it considers appropriate in order to maximise the proceeds of the sale of such Collateral Assets);

(b) for the purposes of obtaining the quotations referred to in (a) above, the Security Agent or the Disposal Agent may itself provide a bid in respect of the relevant Collateral Assets or any part or proportion thereof; and

(c) the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall be authorised to accept without liability to any party in respect of each relevant part or proportion of the Collateral Assets or, as applicable, the entirety of the relevant Collateral Assets the highest quotation so obtained (which may be a quotation from the Security Agent or the Disposal Agent (when providing such quotations itself, the Security Agent or the Disposal Agent shall act in a commercially reasonable manner)).

Notwithstanding any other provision of these Secured Static/Floating Instruments Conditions, following receipt by the Security Agent of notice of an Acceleration Event, the Security Agent shall be entitled in its sole discretion to instruct the Disposal Agent to liquidate, dispose or realise any of the Collateral Assets at any time and without regard to any of the provisions of the Secured Static/Floating Instruments Conditions with respect to method, price or time of such realisation, in order to satisfy any Security Agent Amounts, and without liability to any party for any such action.

6.8 **Inability to realise Collateral Assets**

If the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) is unable to sell the relevant Collateral Assets on any securities exchange or quotation service on which the Collateral Assets may be listed or quoted or obtain the three quotations required for the sale of one or more Collateral Assets, in each case pursuant to Secured Static/Floating Instruments Condition 6.6, for a period of one year from the date of the relevant Acceleration Instruction (such Collateral Assets being "**Non-Realised Collateral Assets**"), then notwithstanding any other provision hereof, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall be entitled without liability to any party to sell such Non-Realised Collateral Assets by accepting the first available price for such Non-Realised Collateral Assets.

6.9 **Physical Delivery of Static Collateral Assets**

6.9.1 The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) will notify the relevant Instrument Agent and the relevant Instrument Agent will notify Holders of Non-Waived Instruments of the relevant Series of Secured Instruments of the relevant Collateral Delivery Date in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) and:

(a) the Secured Instruments Valuation Agent shall aggregate the Unrounded Collateral Assets Entitlement in respect of all Non-Waived Instruments of such Series held by each such Holder and will round down each Static Collateral Asset comprising such aggregated Unrounded Collateral Assets Entitlement to the nearest tradable unit of such Static Collateral Asset (the "**Entitlement**" in respect of such Holder);

(b) the Secured Instruments Valuation Agent shall notify the Entitlement in respect of each Holder to the Security Agent and the Disposal Agent and to the Holders in accordance with , in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*);

(c) the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall deliver the relevant Entitlement to the Holders of the Non-Waived Instruments secured by the relevant Collateral Pool in accordance with the method of transfer of Collateral Assets specified, in respect of Secured Notes, in Physical Delivery Note Condition 2 (*Delivery of Entitlement and Asset Transfer Notices*) or, in respect of Secured W&C Instruments, in W&C Instruments Condition 25(C)(b) or 32(C)(b), (provided that no Expenses shall be payable), as applicable (and each reference therein to "Issuer" shall be

deemed to be a reference to "Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent)"); and

(d) the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall realise and liquidate in accordance with Secured Static/Floating Instruments Condition 6.7 the number or fraction of Collateral Assets which is not possible to deliver to a Holder following rounding by the Secured Instruments Valuation Agent in accordance with sub-paragraph (a) above as notified to the Security Agent and the Disposal Agent in accordance with sub-paragraph (b) above and shall notify the Secured Instruments Valuation Agent of the amount of the proceeds of such realisation and liquidation. The Secured Instruments Valuation Agent shall determine the *pro rata* share of the proceeds of such realisation and liquidation of each Holder whose Entitlement is subject to rounding (determined by the Secured Instruments Valuation Agent in respect of each Holder, on the basis of the difference between the aggregated Unrounded Collateral Assets Entitlement of such Holder minus the Entitlement of such Holder) (such amount, the "**Fractional Cash Amount**" in respect of such Holder) and shall notify the Fractional Cash Amount in respect of each Holder to the Security Agent and the Disposal Agent and to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) or, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*). The Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall pay the relevant Fractional Cash Amount to each Holder.

6.9.2 Delivery of such Entitlement and payment of such Fractional Cash Amount shall fully extinguish the Issuer's obligations in respect of the principal amount (in respect of Secured Instruments that are Secured Notes) or the Notional Amount (in respect of Secured Instruments that are Secured W&C Instruments) of the relevant Secured Instruments, as the case may be, notwithstanding that the value of the Entitlement so delivered and Fractional Cash Amount so paid may be less than the market value and/or nominal value of the relevant Secured Instrument.

6.9.3 W&C Instruments Condition 5 shall not apply in respect of Secured W&C Instruments.

6.9.4 Physical Note Condition 3 (*Settlement Disruption Event*), Physical Note Condition 4 (*Failure to Deliver due to Illiquidity*) and Physical Note Condition 5 (*Option to Vary Settlement*) shall not apply in respect of Secured Notes.

6.9.5 For the purposes of these Secured Static/Floating Instruments Conditions, the following definitions will apply:

"**Collateral Delivery Date**" means, in relation to a Series of Secured Instruments where "Physical Delivery of Static Collateral Assets" is applicable, the date on which the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) intends to deliver the Entitlement to Holders.

"**Hedge Termination Costs Shortfall**" means the greater of zero and an amount equal to the difference between (a) the sum of (i) the Derivative Hedge Termination Costs plus (ii) the Static Collateral Hedge Termination Costs, minus (b) the MTM Collateral Enforcement Proceeds, as determined by the Secured Instruments Valuation Agent.

"**Remaining Static Collateral Assets**" has the meaning given in Secured Static/Floating Instruments Condition 6.3(b).

"**Relevant Number**" means:

(a) in respect of Secured Instruments that are Secured Notes, the aggregate principal amount outstanding of Non-Waived Instruments of a Series of Secured Instruments divided by the specified denomination of each Non-Waived Instrument of such Series of Secured Instruments; and

(b) in respect of Secured Instruments that are Secured W&C Instruments, the number of Non-Waived Instruments of a Series of Secured Instruments.

"**Unrounded Collateral Assets Entitlement**" means, for each Non-Waived Instrument in a Series of Secured Instruments, Static Collateral Assets with an aggregate nominal amount equal to the quotient of (a) the Remaining Static Collateral Assets in respect of the Collateral Pool which secures such Series of Secured Instruments, divided by (b) the Relevant Number of Non-Waived Instruments of such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent, provided that if the Eligible Static Collateral Assets specified in the applicable Final Terms is a Basket of Eligible Debt Securities, and such Remaining Static Collateral Assets comprise the Basket of Eligible Debt Securities, the aggregate nominal amount of each Eligible Debt Security in the Basket of Eligible Debt Securities expressed as a percentage of the Unrounded Collateral Assets Entitlement shall be equal to the Eligible Debt Security Weighting of such Eligible Debt Security.

6.9.6 This Condition 6.9 shall not apply to Secured Instruments which are Rule 144A Instruments.

6.10 **Physical Delivery of Collateral Assets Disruption Event**

6.10.1 If, in the opinion of the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), delivery of all or some of the Static Collateral Assets forming part of the Entitlement using the method of delivery specified in respect of Secured Notes, in Physical Delivery Note Condition 2 (*Delivery of Entitlement and Asset Transfer Notices*) or, in respect of Secured W&C Instruments, in W&C Instruments Condition 25(C)(b) or 32(C)(b) (as applicable and as notified to the Disposal Agent by the Security Agent), or such other commercially reasonable manner as the Security Agent, or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), has determined, is not practicable by reason of a Physical Delivery of Collateral Assets Disruption Event having occurred and continuing on any Collateral Delivery Date, then such Collateral Delivery Date shall be postponed to the first following Collateral Business Day in respect of which there is no such Physical Delivery of Collateral Assets Disruption Event, provided that the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) may elect in its sole discretion and without liability to any party to deliver the Static Collateral Assets forming part of the Entitlement in such other commercially reasonable manner as it may select and in such event the Collateral Delivery Date shall be such day as the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) deems appropriate in connection with delivery of the Static Collateral Assets forming part of the Entitlement in such other commercially reasonable manner.

Where a Physical Delivery of Collateral Assets Disruption Event affects some but not all of the Static Collateral Assets forming part of the Entitlement due to be delivered to a Holder, the Collateral Delivery Date for those Static Collateral Assets forming part of the Entitlement which are able to be delivered will be the Collateral Delivery Date on which such Static Collateral Assets are delivered.

6.10.2 If delivery of any Static Collateral Assets forming part of the Entitlement is not possible due to the occurrence of a Physical Delivery of Collateral Assets Disruption Event for a period of greater than 20 Collateral Business Days, then in lieu of physical settlement and notwithstanding any other provision hereof, the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall sell or realise the Undeliverable Collateral Assets in the manner set out in Secured Static/Floating Instruments Condition 6.7 and deliver the proceeds thereof to Holders.

6.10.3 If the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) is unable to either sell the Undeliverable Collateral Assets on any securities exchange or quotation service on which the Undeliverable Collateral Assets may be listed or quoted or obtain the three quotations required for the sale of the Collateral Assets, in each case pursuant to Secured Static/Floating Instruments Condition 6.7, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall be entitled, without the Security Agent or the Disposal Agent incurring any liability to any party, to accept the first available price for such Undeliverable Collateral Assets.

The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), shall give notice as soon as practicable to the relevant Instrument Agent and

the relevant Instrument Agent will give notice as soon as practicable to Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) or, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) that a Physical Delivery of Collateral Assets Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Non-Waived Instruments in the event of any delay in the delivery of the Collateral Assets forming part of the Entitlement due to the occurrence of a Physical Delivery of Collateral Assets Disruption Event and no liability in respect thereof shall attach to the Issuer, the Secured Instruments Collateral Provider, the Security Agent or the Disposal Agent.

6.10.4 This Condition 6.10 shall not apply to Secured Instruments which are Rule 144A Instruments.

6.11 **Replacement Secured Instruments Valuation Agent**

If, following the delivery of a Collateral Enforcement Notice, the Secured Instruments Valuation Agent fails to make the applicable calculations and determinations specified in this Secured Static/Floating Instruments Condition 6, or fails to notify the Security Agent or the Disposal Agent of the results of such calculations and determinations, within a reasonable time and in any event within 20 Collateral Business Days of receipt of a written request from the Security Agent and/or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) that it make such calculations and determinations, then the Security Agent shall as soon as reasonably practicable appoint a replacement Secured Instruments Valuation Agent (a "**Replacement Secured Instruments Valuation Agent**") in accordance with Secured Static/Floating Instruments Condition 3.7.

7. **Segregation of Collateral Pools and Limited Recourse and Non-Petition**

By acquiring and holding Secured Instruments, Holders will be deemed to acknowledge and agree that the obligations of the Issuer to the Holders are limited in recourse to the Collateral Assets contained in the relevant Collateral Pool securing such Series of Secured Instruments. If:

(a) there are no relevant Collateral Assets in the relevant Collateral Pool remaining which are capable of being realised or otherwise converted into cash;

(b) all amounts available from the relevant Collateral Assets in the relevant Collateral Pool have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the relevant Deed of Charge, the Security Agency Agreement and these Secured Static/Floating Instruments Conditions; and

(c) there are insufficient amounts available from the relevant Collateral Assets in the relevant Collateral Pool to pay in full, in accordance with the provisions of the relevant Deed of Charge, the Security Agency Agreement and these Secured Static/Floating Instruments Conditions, amounts outstanding under the Secured Instruments (including payments of principal, premium (if any) and interest),

then the Holders of such Secured Instruments shall have no further claim against the Issuer or the Secured Instruments Collateral Provider in respect of any amounts owing to them which remain unpaid (including, for the avoidance of doubt, payments of principal, premium (if any) and/or interest in respect of the Secured Instruments). In particular, no Holder shall be entitled to have recourse to the Collateral Assets contained in a Collateral Pool other than the Collateral Pool which secures the Secured Instruments held by such Holder. The Secured Instruments are not guaranteed by the Guarantor or any other entity and therefore Holders will have no claim against the Guarantor or any other entity in respect of any such amounts owing to them which remain unpaid.

8. **Collateral Disruption Events**

8.1 **Consequences of a Collateral Disruption Event**

If a Collateral Disruption Event occurs or is continuing in respect of Static Collateral Assets securing a Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent, the Issuer may, at its discretion, cancel the Secured Instruments of such Series by giving notice to Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*)

or, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*). If the Issuer cancels the Secured Instruments, then the Issuer shall:

(a) pay an amount in the Settlement Currency equal to the Early Redemption/Settlement Amount (CDE) to each Holder in respect of each Non-Waived Instrument held by such Holder; and

(b) if "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms, (i) Deliver the relevant Entitlement (CDE) to each Holder and (ii) pay the Fractional Cash Amount (CDE) to each relevant Holder, in each case, in accordance with Secured Static/Floating Instruments Condition 8.4.

Payment will be made in such manner and on such date as shall be notified by the Issuer to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*), provided that such date shall be no later than two Business Days following the day on which the Secured Instruments Collateral Provider and/or its Affiliate receives the proceeds of liquidation and realisation of all Static Collateral Assets (if any) that are required to be liquidated and realised in accordance with Secured Static/Floating Instruments Conditions 8.3.1 and 8.4.2 (if applicable).

8.2 **Definition of "Early Redemption/Settlement Amount (CDE)"**

For the purposes of this Secured Static/Floating Instruments Condition 8, the Early Redemption/Settlement Amount (CDE) payable in respect of each cancelled Non-Waived Instrument shall be determined by the Secured Instruments Valuation Agent in accordance with sub-paragraph (a) or (b) below (as applicable):

(a) if the applicable Final Terms specify "Physical Delivery of Static Collateral Assets" not to be applicable, the Early Redemption/Settlement Amount (CDE) shall be an amount equal to the greater of zero and the difference between:

(i) the sum of:

(A) an amount equal to the difference between (I) an amount equal to the portion of the Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for the Collateral Disruption Event Determination Date that relates to such Non-Waived Instrument, minus (II) an amount equal to such Non-Waived Instrument's *pro rata* share of the Derivative Hedge Termination Costs; plus

(B) the difference between (aa) the Static Collateral Proceeds Share (CDE) minus (bb) such Non-Waived Instrument's *pro rata* share of the Static Collateral Hedge Termination Costs; minus

(ii) an amount equal to such Non-Waived Instrument's *pro rata* share of the Realisation Costs; or

(b) if the applicable Final Terms specify "Physical Delivery of Static Collateral Assets" to be applicable, the Early Redemption/Settlement Amount (CDE) shall be an amount equal to the greater of zero and the difference between:

(i) an amount equal to the portion of the Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for the Collateral Disruption Event Determination Date that relates to such Non-Waived Instrument; minus

(ii) the Collateral Disruption Event Costs.

8.3 **Liquidation and realisation of Static Collateral Assets**

8.3.1 **Realisation of Static Collateral Assets**

If the Issuer elects to cancel a Series of Secured Instruments in accordance with Secured Static/Floating Instruments Condition 8.1, the Secured Instruments Collateral Provider shall deliver a Control Event Notice to the Collateral Agent and shall effect a liquidation and realisation in accordance with Secured Static/Floating Instruments Condition 6.7 (and each reference therein to "Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent)" shall be deemed to be a reference to "Secured Instruments Collateral Provider and/or its Affiliate") of:

(a) if "Physical Delivery of Static Collateral Assets" is specified to apply in the applicable Final Terms, an amount of Static Collateral Assets sufficient to derive proceeds that are equal in value to the Collateral Disruption Event Costs Shortfall (if any) and such proceeds shall be retained by the Secured Instruments Collateral Provider and shall not be payable to Holders, provided that if the Eligible Static Collateral Assets specified in the applicable Final Terms is a Basket of Eligible Debt Securities, the amount of each Eligible Debt Security in the Basket of Eligible Debt Securities liquidated or realised pursuant to this paragraph shall be proportionate to the Eligible Debt Security Weighting of such Eligible Debt Security, (the aggregate nominal amount of Static Collateral Assets remaining in the relevant Collateral Pool following such liquidation or realisation in accordance with this sub-paragraph (a), the "**Remaining Static Collateral Assets (CDE)**"); or

(b) if "Physical Delivery of Static Collateral Assets" is specified not to apply in the applicable Final Terms, all Static Collateral Assets in the Collateral Pool which secures a Series of Secured Instruments.

Secured Static/Floating Instruments Condition 6.8 shall apply to the realisation of Static Collateral Assets (if any) in accordance with this Secured Static/Floating Instruments Condition 8.3 (and each reference therein to "Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent)" shall be deemed to be a reference to "Secured Instruments Collateral Provider and/or its Affiliate").

To the extent that any proceeds from the realisation of the relevant Static Collateral Assets in a Collateral Pool are not in the Settlement 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 Secured Instruments Collateral Provider and/or its Affiliate, having regard to current rates of exchange. Any rate, method and date so specified shall be binding on the Issuer and the Holders.

8.3.2 **Liability of the Secured Instruments Collateral Provider**

The Secured Instruments Collateral Provider and/or its Affiliates will not, in the absence of negligence, fraud and wilful misconduct, have any liability as to the consequence of any liquidation or realisation action and will have no regard to the effect of such action on individual Holders.

8.4 **Physical Settlement**

8.4.1 Where "Physical Delivery of Static Collateral Assets" is specified in the applicable Final Terms, following cancellation of the relevant Series of Secured Instruments in accordance with Secured Static/Floating Instruments Condition 8.1, the Secured Instruments Collateral Provider will determine the Entitlement (CDE) and any Fractional Cash Amount (CDE) in respect of each Holder of Non-Waived Instruments and shall notify such amounts to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) or, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*).

8.4.2 The Secured Instruments Collateral Provider will notify Holders of Non-Waived Instruments of the relevant Series of Secured Instruments of the relevant Collateral Delivery Date (CDE) and will:

(a) aggregate the Unrounded Collateral Assets Entitlement (CDE) in respect of all Non-Waived Instruments of such Series held by each such Holder and will round down each

Static Collateral Asset comprising such aggregated Unrounded Collateral Assets Entitlement (CDE) to the nearest tradable unit of such Static Collateral Asset (the "**Entitlement (CDE)**" in respect of such Holder);

(b) Deliver the Entitlement (CDE) to the Holders of the Secured Instruments secured by the relevant Collateral Pool in accordance with the method of transfer of Collateral Assets specified in respect of Secured Notes, in Physical Delivery Note Condition 2 (*Delivery of Entitlement and Asset Transfer Notices*) or, in respect of Secured W&C Instruments, in W&C Instruments Condition 25(C)(b) or 32(C)(b) (provided that no Expenses shall be payable) (and each reference therein to "Issuer" shall be deemed to be a reference to "Secured Instruments Collateral Provider"); and

(c) realise and liquidate the number or fraction of Static Collateral Assets which is not possible to deliver to a Holder following such rounding in accordance with Secured Static/Floating Instruments Condition 6.7 (and each reference therein to "Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent)" shall be deemed to be a reference to "Secured Instruments Collateral Provider and/or its Affiliate") and pay a *pro rata* share of the proceeds of such realisation and liquidation to each Holder whose Entitlement (CDE) is subject to rounding (determined on the basis of the difference between the aggregate Unrounded Collateral Assets Entitlement (CDE) of such Holder minus the Entitlement (CDE) of such Holder) (such amount, the "**Fractional Cash Amount (CDE)**" in respect of such Holder).

Delivery of such Entitlement (CDE) and payment of such Fractional Cash Amount (CDE) shall fully extinguish the Issuer's obligations in respect of the principal amount (in respect of Secured Instruments that are Secured Notes) or the Notional Amount (in respect of Secured Instruments that are Secured W&C Instruments) of the relevant Secured Instruments notwithstanding that the value of the Entitlement (CDE) so delivered and Fractional Cash Amount (CDE) so paid may be less than the market value and/or nominal value of the relevant Secured Instrument.

8.4.3 Secured Static/Floating Instruments Condition 6.10 shall apply to the Delivery of the Entitlement (CDE) in accordance with this Secured Static/Floating Instruments Condition 8.4 (and each reference therein to "Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent)" shall be deemed to be a reference to "Secured Instruments Collateral Provider and/or its Affiliate").

8.4.4 W&C Instruments Condition 5 shall not apply in respect of Secured W&C Instruments.

8.4.5 Physical Note Condition 3 (*Settlement Disruption Event*), Physical Note Condition 4 (*Failure to Deliver due to Illiquidity*) and Physical Note Condition 5 (*Option to Vary Settlement*) shall not apply in respect of Secured Notes.

8.4.6 This Condition 8.4 shall not apply to Secured Instruments which are Rule 144A Instruments.

8.5 **Additional Definitions**

For the purposes of this Secured Static/Floating Instruments Condition 8, the following definitions will apply:

"**Collateral Asset Default**" means, in respect of a Series of Secured Instruments, any of the following occurs: (a) any of the Static Collateral Assets in the Collateral Pool which secures such Series of Secured Instruments become due and payable on a date prior to their stated maturity date for any reason (including by reason of default in payment), (b) a failure by an issuer of any of the Static Collateral Assets to (i) pay on the due date any amount due and payable or (ii) perform any of its other obligations, in the case of both (i) and (ii), in respect of such Static Collateral Assets, or (c) any rescheduling, Restructuring, subordination, exchange or material amendment is announced by an issuer of any of the Static Collateral Assets or any governmental authority or occurs in respect of any of the Static Collateral Assets.

"**Collateral Delivery Date (CDE)**" means, in relation to a Series of Secured Instruments where "Physical Delivery of Static Collateral Assets" is applicable, the date on which the Secured Instruments Collateral Provider or any agent acting on its behalf intends to Deliver the

Entitlement (CDE) to Holders, provided that such date shall be no later than two Business Days following the day on which the Secured Instruments Collateral Provider and/or its Affiliate receives the proceeds of liquidation and realisation of any Static Collateral Assets that are required to be liquidated and realised in accordance with Secured Static/Floating Instruments Conditions 8.3.1 and 8.4.2.

"**Collateral Disruption Event**" means either:

(a) the Secured Instruments Collateral Provider and/or any of its Affiliates considers, in its sole and absolute discretion that it:

(i) is unable, as a result of any legal, contractual or other restrictions or constraints (including, without limitation, any laws, regulations, court orders, other governmental or regulatory constraints), adverse market conditions or a lack of liquidity in the market or otherwise, after using commercially reasonable efforts to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or option contracts it deems necessary to obtain Collateral Assets; or (B) freely realise, recover, remit, receive, re-patriate or transfer the proceeds of any such transactions(s) or assets(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets; or

(ii) would incur a materially increased (as compared with circumstances existing on the date on which the issue of a Series of Secured Instruments is first priced) amount of tax, duty, expense, fee (other than brokerage commissions) or other relevant cost (including, for the avoidance of doubt, any funding cost) to (A) acquire, borrow, substitute, or dispose of any Collateral Assets, (B) establish, re-establish, substitute, maintain, unwind or dispose of any transaction entered into by the Secured Instruments Collateral Provider or any of its Affiliates in connection with the Collateral Assets or (C) realise, recover or remit the proceeds of any such Collateral Assets; or

(b) the Issuer is unable, after using commercially reasonable efforts, to find a suitable substitute or replacement Collateral Arrangement Party or Security Agent following the termination of the relevant agreement or resignation or removal for any reason of a Collateral Arrangement Party or the Security Agent; or

(c) the Secured Instruments Collateral Provider considers, in its sole and absolute discretion, that a Collateral Settlement Disruption has occurred; or

(d) a Collateral Asset Default has occurred or is continuing, as determined by the Secured Instruments Valuation Agent.

"**Collateral Disruption Event Costs**" means, in respect of a Non-Waived Instrument, the sum of (a) an amount equal to such Non-Waived Instrument's *pro rata* share of the Realisation Costs, plus (b) an amount equal to such Non-Waived Instrument's *pro rata* share of the Derivative Hedge Termination Costs, plus (c) an amount equal to such Non-Waived Instrument's *pro rata* share of the Static Collateral Hedge Termination Costs, as determined by the Secured Instruments Valuation Agent.

"**Collateral Disruption Event Costs Shortfall**" means an amount equal to the greater of zero and the difference between (a) the aggregate of the Collateral Disruption Event Costs in respect of each Non-Waived Instrument of the relevant Series of Secured Instruments, minus (b) the aggregate of the portions of the Marked-to-Market Derivative Hedge Value in respect of the Collateral Disruption Event Determination Date that relates to each Non-Waived Instrument in such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent.

"**Collateral Disruption Event Determination Date**" means the date on which it is first determined that a Collateral Disruption Event in respect of which the Secured Instruments Valuation Agent has elected to cancel the relevant Secured Instruments in accordance with Secured Static/Floating Instruments Condition 8.1 has occurred or is continuing. The Collateral

Disruption Event Determination Date shall be deemed to be a Collateral Test Date only for the purposes of determining the Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for such Collateral Disruption Event Determination Date.

"**Collateral Settlement Disruption**" means any event (including, but not limited to, as a result of a failure or inability of the relevant clearing system to clear the relevant Eligible MTM Collateral Assets or Eligible Static Collateral Assets) beyond the control of the Secured Instruments Collateral Provider and/or its Affiliates as a result of which Eligible MTM Collateral Assets or Eligible Static Collateral Assets have not been settled into the Custodian Account within the regular settlement period for such Eligible MTM Collateral Assets or Eligible Static Collateral Assets under normal market conditions.

"**Realisation Costs**" means all costs (expressed as a positive number) incurred by or payable by the Issuer, the Secured Instruments Collateral Provider and/or any Affiliate in relation to the relevant Series of Secured Instruments (which shall include any taxes required to be paid and any costs of realising the Collateral Assets (including the distribution of proceeds) and/or, where "Physical Delivery of Collateral Assets" is specified to be applicable, Delivery of the Entitlement (CDE) to the Holders of the related Non-Waived Instruments)), as determined by the Secured Instruments Valuation Agent.

"**Remaining Static Collateral Assets (CDE)**" has the meaning given in Secured Static/Floating Instruments Condition 8.3.1(a).

"**Restructuring**" means the occurrence of any one or more of the following events with respect to any of the Static Collateral Assets:

(a) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;

(b) a postponement or other deferral of a date or dates for the payment of principal or premium;

(c) a change in the ranking in priority of payment of any of the Static Collateral Assets causing the subordination of such Static Collateral Assets to any other obligation under which the issuer of such Static Collateral Assets is an obligor; or

(d) any change in the currency or composition of any payment of principal under any of the Static Collateral Assets,

provided that, in the case of each of (a) to (d) above:

(i) such event is not due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(ii) such event directly or indirectly results from a deterioration in the creditworthiness or financial condition of the issuer of such Static Collateral Assets.

"**Static Collateral Proceeds (CDE)**" means the gross proceeds of liquidation and realisation of the relevant Static Collateral Assets in accordance with Secured Static/Floating Instruments Condition 8.3.1 (excluding, if "Physical Delivery of Static Collateral Assets" is applicable, any Static Collateral Assets that are Deliverable in accordance with Secured Static/Floating Instruments Condition 8.4) in a Collateral Pool, as determined by the Secured Instruments Valuation Agent.

"**Static Collateral Proceeds Share (CDE)**" means, in respect of a Series of Secured Instruments, the *pro rata* share of the Static Collateral Proceeds (CDE) attributable to each Non-Waived Instrument in such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent.

"**Unrounded Collateral Assets Entitlement (CDE)**" means, for each Non-Waived Instrument in a Series of Secured Instruments where "Physical Delivery of Static Collateral Assets" is applicable, Static Collateral Assets with an aggregate nominal amount equal to the quotient of (a) the Remaining Static Collateral Assets (CDE) in respect of the Collateral Pool which secures such Series of Secured Instruments, divided by (b) the Relevant Number of Non-Waived Instruments of such Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent, provided that if the Eligible Static Collateral Assets specified in the applicable Final Terms is a Basket of Eligible Debt Securities, and such Remaining Static Collateral Assets (CDE) comprise the Basket of Eligible Debt Securities, the aggregate nominal amount of each Eligible Debt Security in the Basket of Eligible Debt Securities expressed as a percentage of the Unrounded Collateral Assets Entitlement (CDE) shall be equal to the Eligible Debt Security Weighting of such Eligible Debt Security.

9. Collateral Trigger Event

9.1 Consequences of a Collateral Trigger Event

If "Collateral Trigger Event" is specified to be applicable in the applicable Final Terms and a Collateral Trigger Event occurs or is continuing in respect of a Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent, the Issuer shall cancel all but not some only of the Secured Instruments of such Series by giving notice to Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*). If the Issuer cancels the Secured Instruments due to the occurrence of a Collateral Trigger Event, then the Issuer shall:

(a) subject to (b) immediately below, pay an amount in the Settlement Currency equal to the Early Redemption/Settlement Amount (CTE) to each Holder in respect of each Non-Waived Instrument held by such Holder; and

(b) if "Physical Delivery of Static Collateral Assets" is specified to be applicable in the applicable Final Terms, (i) Deliver the relevant Entitlement (CTE) to each Holder and (ii) pay the Fractional Cash Amount (CTE) to each relevant Holder, in each case, in accordance with Secured Static/Floating Instruments Condition 8.4, as modified by the definitions below.

Payment will be made in such manner and on such date as shall be notified by the Issuer to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*), provided that such date shall be no later than two Business Days following the day on which the Secured Instruments Collateral Provider and/or its Affiliate receives the proceeds of liquidation and realisation of all Static Collateral Assets (if any) that are required to be liquidated and realised in accordance with Secured Static/Floating Instruments Conditions 8.3.1 and 8.4.2 (if applicable).

9.2 Additional Definitions

For the purposes of this Secured Static/Floating Instruments Condition 9, the following definitions will apply:

"**Collateral Trigger Event**" means, in respect of a Series of Secured Instruments, that (and a Collateral Trigger Event shall have occurred if) the Secured Instrument Intra-day Value at any time during Specified Business Hours on any Collateral Trigger Observation Day falling in the Collateral Trigger Observation Period is (a) if "less than the Collateral Trigger Level" is specified in the applicable Final Terms, less than the Collateral Trigger Level or (b) if "less than or equal to the Collateral Trigger Level" is specified in the applicable Final Terms, less than or equal to the Collateral Trigger Level, as determined by the Secured Instruments Valuation Agent.

"**Collateral Trigger Level**" means the amount specified as such in the applicable Final Terms.

"**Collateral Trigger Observation Day**" means each day falling in the Collateral Trigger Observation Period:

(a) on which bid price(s) for any of the Specified Static Collateral Assets are published on such day; or

(b) on which levels, prices or values of each of the underlying asset(s) of the Derivative Hedge are announced, published or determined by the relevant exchange(s), quotation system(s), trading facility(ies), price source(s), sponsor(s) or service provider(s) (as applicable) in respect of such underlying asset(s) or any other relevant reference source(s) for the valuation of such underlying asset(s), as determined by the Secured Instruments Valuation Agent; or

(c) which satisfies both sub-paragraphs (a) and (b) above,

or any other day specified as such in the applicable Final Terms or otherwise determined as provided in the applicable Final Terms.

"**Collateral Trigger Observation Period**" means the period specified as such in the applicable Final Terms or otherwise determined as provided in the applicable Final Terms.

"**Early Redemption/Settlement Amount (CTE)**" means an amount equal to the Early Redemption/Settlement Amount (CDE) determined in accordance with Secured Static/Floating Instruments Condition 8.2, provided that the reference to "Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for the Collateral Disruption Event Determination Date" shall be deemed to be deleted and replaced with "the Marked-to-Market Derivative Hedge Intra-day Value in respect of the date and time on which a Collateral Trigger Event first occurred".

"**Entitlement (CTE)**" means an amount of Static Collateral Assets determined in accordance with Secured Static/Floating Instruments Conditions 8.3 and 8.4, provided that each reference therein to "Entitlement (CDE)", "Fractional Cash Amount (CDE)" and "Secured Static/Floating Instruments Condition 8.1" shall be deemed to be a reference to "Entitlement (CTE)", "Fractional Cash Amount (CTE)" and "Secured Static/Floating Instruments Condition 9.1" respectively. The definitions of "Collateral Disruption Event Determination Date" and "Collateral Disruption Event Costs Shortfall" used in determining the Entitlement (CTE) shall be deemed to be amended by deleting the references to "Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for such Collateral Disruption Event Determination Date" and "Marked-to-Market Derivative Hedge Value in respect of the Collateral Disruption Event Determination Date" and replacing the relevant reference with "Marked-to-Market Derivative Hedge Intra-day Value in respect of the date and time on which a Collateral Trigger Event first occurred".

"**Fractional Cash Amount (CTE)**" means an amount determined in accordance with Secured Static/Floating Instruments Conditions 8.3 and 8.4, provided that each reference therein to "Entitlement (CDE)", "Fractional Cash Amount (CDE)" and "Secured Static/Floating Instruments Condition 8.1" shall be deemed to be a reference to "Entitlement (CTE)", "Fractional Cash Amount (CTE)" and "Secured Static/Floating Instruments Condition 9.1" respectively. The definitions of "Collateral Disruption Event Determination Date" and "Collateral Disruption Event Costs Shortfall" used in determining the Entitlement (CTE) shall be deemed to be amended by deleting the references to "Marked-to-Market Derivative Hedge Value in respect of the Derivative Hedge Valuation Time for such Collateral Disruption Event Determination Date" and "Marked-to-Market Derivative Hedge Value in respect of the Collateral Disruption Event Determination Date" and replacing the relevant reference with "Marked-to-Market Derivative Hedge Intra-day Value in respect of the date and time on which a Collateral Trigger Event first occurred".

"**Marked-to-Market Derivative Hedge Intra-day Value**" means, in respect of a Collateral Pool and any relevant time on any relevant date, the amount (which may be a negative number) determined by the Secured Instruments Valuation Agent as the market value of the Derivative Hedge in respect of such time on such date and shall be determined as the present value of the future payment obligations of the Issuer in respect of the Non-Waived Instruments of the relevant Series of Secured Instruments which are secured by such Collateral Pool, minus the present value of the future cash flows of the Static Collateral Assets that secure such Series of

Secured Instruments, and taking into account such factors as the Secured Instruments Valuation Agent considers to be appropriate in its discretion, including without limitation:

(a) spot and forward market prices or values for the underlying asset(s) of the Derivative Hedge and other relevant economic variables (including, without limitation, interest rates and, if applicable, exchange rates) at the relevant time;

(b) the correlation between the market prices or value of the underlying asset(s) of the Derivative Hedge and other relevant economic variables at the relevant time;

(c) historic and implied volatility of the market prices or value of the underlying asset(s) of the Derivative Hedge;

(d) the remaining time until expiry of the Derivative Hedge;

(e) internal pricing models;

(f) prices at which other market participants might bid for options or other instruments similar to the Derivative Hedge; and

(g) the valuation using relevant economic variables of the cash flows and/or coupon payments of the Static Collateral Assets that secure such Secured Instruments.

"**Minimum Bid Size**" means the minimum nominal amount of the Static Collateral Asset that may be quoted for bids on the Relevant Screen Page.

"**Relevant Screen Page**" means the screen page specified as such in the applicable Final Terms.

"**Secured Instrument Intra-day Value**" means, in respect of a Series of Secured Instruments and any relevant time on any relevant date, an amount equal to the sum of:

(a) an amount equal to the portion of the Marked-to-Market Derivative Hedge Intra-day Value in respect of such time on such date that relates to a Non-Waived Instrument of such Series; plus

(b) an amount equal to the portion of the Static Collateral Intra-day Value in respect of such time on such day that relates to a Non-Waived Instrument of such Series,

as determined by the Secured Instruments Valuation Agent.

"**Specified Business Hours**" means, in respect of any day, the time period from, and including, 5.00 a.m., Sydney time on that day, to and including, 5.00 p.m., New York City time, on that day, or such other time period(s) specified in the applicable Final Terms or otherwise determined as provided in the applicable Final Terms.

"**Specified Static Collateral Assets**" means, if the Eligible Static Collateral Assets specified in the applicable Final Terms is: (i) a single Eligible Debt Security, any debt security that has the ISIN specified as the "Relevant Static Collateral ISIN" in the applicable Final Terms, or (ii) a Basket of Eligible Debt Securities, a basket composed of debt securities that have each of the ISINs specified as the "Relevant Static Collateral ISIN" in the applicable Final Terms, in their relative nominal amounts or number equal to the Eligible Debt Security Weighting corresponding to each such "Relevant Static Collateral ISIN".

"**Static Collateral Intra-day Value**" means, in respect of a Series of Secured Instruments and any relevant time on any relevant date, the market value for a nominal amount of Specified Static Collateral Assets equal to the Required Static Collateral Nominal Amount in respect of such time on such date of the Collateral Pool which secures such Series, as determined by the Secured Instruments Valuation Agent by reference to such factors as the Secured Instruments Valuation Agent considers to be appropriate in its discretion, including without limitation:

(a) bid prices (if available) for a nominal amount of such Specified Static Collateral Assets equal to the Minimum Bid Size appearing on the Relevant Screen Page at such time on such date; and

(b) internal pricing models.

Where the relevant currency or denomination of the Specified Static Collateral Assets is other than the Collateral Valuation Currency, the Secured Instruments Valuation Agent shall convert the Static Collateral Intra-day Value at the relevant spot rate or spot rates in accordance with such method and at such time as the Secured Instruments Valuation Agent may select in its discretion, having regard to then-current rates of exchange and shall notify the Collateral Agent of such converted value.

10. **Release of Security**

The security constituted by the Relevant Deed of Charge will be released in relation to Collateral Assets that are withdrawn from the Collateral Account in accordance with Secured Static/Floating Instruments Condition 4.4 or Secured Static/Floating Instruments Condition 4.5 and in accordance with the provisions of the relevant Deed of Charge.

ANNEX 14

ADDITIONAL TERMS AND CONDITIONS FOR SECURED FULLY FLOATING INSTRUMENTS

1. **Interpretation**

If this Annex 14 is specified as applicable in the applicable Final Terms, the terms and conditions applicable to: (a) Secured Notes shall comprise the terms and conditions of the Notes (the "**Notes Conditions**") and the Additional Terms and Conditions for Secured Fully Floating Instruments set out below (the "**Secured Fully Floating Instruments Conditions**"), and (b) Secured W&C Instruments shall comprise the terms and conditions of the W&C Instruments (the "**W&C Instruments Conditions**") and the Secured Fully Floating Instruments Conditions, in each case, subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions, in the case of Secured Notes, or the W&C Instruments Conditions, in the case of Secured W&C Instruments and the Secured Fully Floating Instruments Conditions, the Secured Fully Floating Instruments Conditions shall prevail. In the event of any inconsistency between (a) the Notes Conditions or the W&C Instruments Conditions and/or the Secured Fully Floating Instruments Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Secured Fully Floating Instruments Conditions to "Secured Instrument" and "Secured Instruments" shall be deemed to be references to "Secured Note" and "Secured Notes" or "Secured W&C Instrument" and "Secured W&C Instruments" as the context admits.

For the avoidance of doubt, where this Annex 14 applies, the terms of Annex 13 shall not apply to the Secured W&C Instruments.

2. **Definitions**

For the purposes of these Secured Fully Floating Instruments Conditions:

"**Acceleration Event**" has the meaning given to it in Secured Fully Floating Instruments Condition 4.8.1.

"**Acceleration Instruction**" has the meaning given to it in Secured Fully Floating Instruments Condition 4.8.2.

"**Acceleration Notice**" means a notice substantially in the form of Schedule 23 of the English Law Agency Agreement delivered by a Holder of any Non-Waived Instrument to the relevant Instrument Agent:

(a) specifying that a Secured Instrument Event of Default has occurred and is continuing in respect of such Non-Waived Instrument;

(b) instructing the Security Agent to deliver the notices specified in Secured Fully Floating Instruments Condition 6.1;

(c) instructing the Security Agent to enforce the security constituted by the relevant Deed of Charge and distribute the proceeds (and, if applicable, physically settle the Entitlement), in each case, in accordance with these Secured Fully Floating Instruments Conditions and the terms of the relevant Deed of Charge and the Security Agency Agreement;

(d) instructing the Security Agent to appoint a Disposal Agent, if a Disposal Agent has not already been appointed, and provide instructions to the Disposal Agent in accordance with these Secured Fully Floating Instruments Conditions; and

(e) instructing the Security Agent to perform any further actions of the Security Agent specified in these Secured Fully Floating Instruments Conditions, the relevant Deed of Charge and the Security Agency Agreement or any reasonably incidental actions,

provided that the Security Agent shall not be bound by any such instruction until it receives an Acceleration Instruction in accordance with Secured Fully Floating Instruments Condition 4.8.2.

Any Acceleration Notice shall be in writing and delivered to the Issuer and the relevant Instrument Agent and shall include such details as are necessary to establish and verify the Non-Waived Instruments held by the Holder delivering such notice.

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity.

"**Cash**" means the money and currency of any jurisdiction which the Collateral Agent accepts for deposit in a Collateral Account.

"**Charged Documents**" means each of the Secured Instruments Collateral Provider Agreement, the Valuation Agency Agreement and the relevant Triparty Account Control Agreement.

"**Collateral Account**" has the meaning given to it in Secured Fully Floating Instruments Condition 4.1.

"**Collateral Agent**" means The Bank of New York Mellon, London Branch (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the relevant Triparty Account Control Agreement), and, if applicable, any sub-agent of, or any other entity appointed by the Collateral Agent.

"**Collateral Agent Notice**" means a notice (which may be given in any form agreed between the Secured Instruments Collateral Provider and the Collateral Agent, including but not limited to, electronic message, exchange of electronic files or by telephone) from the Collateral Agent to the Secured Instruments Collateral Provider providing details of why the Collateral Agent considers that the Collateral Test is not satisfied in respect of a Collateral Test Date or that the Collateral Test will not be satisfied (or will no longer be satisfied) after taking into account any adjustments specified in a Collateral Test Notice.

"**Collateral Assets**" means, in respect of a Series of Secured Instruments, Eligible Collateral Assets that are Delivered into and held in the Collateral Account relating to such Series of Secured Instruments.

"**Collateral Assets Table**" means the table specified as such in the applicable Final Terms.

"**Collateral Arrangement Party**" means the Secured Instruments Collateral Provider, the Collateral Agent, the Custodian and the Secured Instruments Valuation Agent.

"**Collateral Business Day**" means a day:

(a) 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 London; and

(b) the offices of the Collateral Agent in London are open for business.

"**Collateral Disruption Event**" means either:

(a) the Secured Instruments Collateral Provider and/or any of its Affiliates considers, in its sole and absolute discretion that it:

    (i) is unable, as a result of any legal, contractual or other restrictions or constraints (including, without limitation, any laws, regulations, court orders, other governmental or regulatory constraints), adverse market conditions or a lack of liquidity in the market or otherwise, after using commercially reasonable efforts to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of

any transaction(s) or asset(s) or any futures or option contracts it deems necessary to obtain Collateral Assets; or (B) freely realise, recover, remit, receive, re-patriate or transfer the proceeds of any such transactions(s) or assets(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets; or

(ii) would incur a materially increased (as compared with circumstances existing on the date on which the issue of a Series of Secured Instruments is first priced) amount of tax, duty, expense, fee (other than brokerage commissions) or other relevant cost (including, for the avoidance of doubt, any funding cost) to (A) acquire, borrow, substitute, or dispose of any Collateral Assets, (B) establish, re-establish, substitute, maintain, unwind or dispose of any transaction entered into by the Secured Instruments Collateral Provider or any of its Affiliates in connection with the Collateral Assets or (C) realise, recover or remit the proceeds of any such Collateral Assets; or

(b) the Issuer is unable, after using commercially reasonable efforts, to find a suitable substitute or replacement Collateral Arrangement Party following the termination of the relevant agreement or resignation or removal for any reason of a Collateral Arrangement Party; or

(c) the Secured Instruments Collateral Provider considers, in its sole and absolute discretion, that a Collateral Settlement Disruption has occurred.

"**Collateral Enforcement Notice**" means a notice in writing from the Security Agent (acting in accordance with an Acceleration Instruction) to the Issuer, the Secured Instruments Collateral Provider and the relevant Instrument Agent in or substantially in the form annexed to the relevant Deed of Charge:

(a) specifying that a Series of Secured Instruments are immediately due and repayable at their Early Redemption/Settlement Amount (and, where "Physical Delivery of Collateral Assets" is specified to be applicable in the applicable Final Terms, that such Secured Instruments will be subject to settlement in accordance with Secured Fully Floating Instruments Condition 6.8); and

(b) enforcing the security constituted by the relevant Deed of Charge in accordance with the terms thereof and the terms of these Secured Fully Floating Instruments Conditions and the Security Agency Agreement.

"**Collateralisation Percentage**" means the percentage level specified as such in the applicable Final Terms. The applicable Final Terms may specify a different Collateralisation Percentage in respect of different Collateral Test Dates.

"**Collateral Enforcement Proceeds**" means the net proceeds of realisation of, or enforcement with respect to, the relevant Collateral Assets in a Collateral Pool and the security constituted by the relevant Deed of Charge following payment of all amounts payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms.

"**Collateral Enforcement Proceeds Share**" means, in respect of a Series of Secured Instruments, the *pro rata* share of the Collateral Enforcement Proceeds attributable to each Non-Waived Instrument in such Series of Secured Instruments.

"**Collateral Pool**" means, in respect of a Series of Secured Instruments, a pool of Collateral Assets held in a Collateral Account and over which a fixed charge is granted pursuant to the relevant Deed of Charge.

"**Collateral Settlement Disruption**" means any event (including, but not limited to, as a result of a failure or inability of the relevant clearing system to clear the relevant Eligible Collateral Assets) beyond the control of the Secured Instruments Collateral Provider and/or its Affiliates as a result of which Eligible Collateral Assets have not been settled into the Custodian Account

within the regular settlement period for such Eligible Collateral Assets under normal market conditions.

"**Collateral Test**" means, in respect of a Collateral Pool and a Collateral Test Date (and the Collateral Test will be satisfied if), a determination by the Collateral Agent as to whether the Collateral Value in respect of such Collateral Test Date is greater than or equal to the Required Collateral Value in respect of such Collateral Test Date. When determining whether the Collateral Test is satisfied, Collateral Assets for which instructions for the transfer to the relevant Collateral Account have been provided on or before such Collateral Test Date will be included for the purposes of such determination and Collateral Assets for which instructions for the removal from the relevant Collateral Account have been provided on or before such Collateral Test Date will be excluded for the purposes of such determination.

"**Collateral Test Date**" means, in respect of a Collateral Pool, the Issue Date of the relevant Series of Secured Instruments which are secured by such Collateral Pool and each Collateral Business Day falling in the period from, but excluding, the Issue Date of such Secured Instruments and ending on, and including, the final Valuation Date, Observation Date or Averaging Date (as applicable) of such Secured Instruments.

"**Collateral Test Notice**" means a notice sent or caused to be sent by the Secured Instruments Collateral Provider to the Collateral Agent in relation to a particular Collateral Pool specifying the Required Collateral Value for such Collateral Pool in respect of the relevant Collateral Test Date (and such notice may (but is not required to) include specific adjustments to be made to the Collateral Pool (including *inter alia* the type and quantity of any Collateral Assets to be deposited and/or removed)).

"**Collateral Transaction Documents**" means the Secured Instruments Collateral Provider Agreement, the Custodian Agreement to the extent to which it relates to the Collateral Accounts, the Valuation Agency Agreement, the Security Agency Agreement and each relevant Deed of Charge and Triparty Account Control Agreement.

"**Collateral Valuation Currency**" means the currency specified as such in the applicable Final Terms.

"**Collateral Valuation Time**" means on or around the opening of the relevant Collateral Business Day or such other time as the Collateral Agent determines the Collateral Value on the relevant Collateral Test Date.

"**Collateral Value**" means, in respect of a Collateral Pool and a Collateral Test Date, an amount expressed in the Collateral Valuation Currency equal to the sum of the Margin Value of each Eligible Collateral Asset in such Collateral Pool on such Collateral Test Date, as determined by the Collateral Agent.

If "Collateral Valuation at Nominal Value" is specified to be applicable in the applicable Final Terms, the Collateral Value shall be deemed to be equal to an amount expressed in the Collateral Valuation Currency equal to the aggregate nominal amount of the Collateral Assets constituting Eligible Collateral Assets held in a Collateral Pool on such Collateral Test Date, as determined by the Collateral Agent. Where the relevant currency or denomination of an Eligible Collateral Asset is other than the Collateral Valuation Currency, the Secured Instruments Valuation Agent shall convert the nominal amount of such Collateral Asset at the relevant spot rate or spot rates in accordance with such method and as at such time as the Secured Instruments Valuation Agent may select in its discretion, having regard to then-current rates of exchange, and shall notify the Collateral Agent of such converted amount.

"**Custodian**" means The Bank of New York Mellon, London Branch (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the Custodian Agreement) and, if applicable, any sub-custodian of, or any other entity appointed by the Custodian.

"**Custodian Agreement**" means the agreement between, *inter alia*, The Bank of New York Mellon, London Branch as Custodian and the Secured Instruments Collateral Provider as amended, restated and/or supplemented from time to time.

"**Deed of Charge**" means a deed of charge governed by English law between the Secured Instruments Collateral Provider and the Security Agent under which:

(a) the Secured Instruments Collateral Provider charges by way of first fixed charge its rights and title in the Collateral Assets contained in one or more Collateral Accounts in favour of the Security Agent on behalf of itself and the other Secured Parties in accordance with the Security Agency Agreement; and

(b) the Secured Instruments Collateral Provider assigns by way of security its rights, title and interest in the Collateral Accounts (including, without limitation, any contractual rights, interests or claims relating to such Collateral Accounts) and the Charged Documents in favour of the Security Agent on behalf of itself and the other Secured Parties in accordance with the Security Agency Agreement.

"**Deliver**" means to deliver, novate, transfer, assign or sell, as appropriate, in a manner customary for the settlement of the applicable Collateral Asset (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Collateral Asset free and clear of any and all liens, charges, claims or encumbrances. "**Delivery**" and "**Delivered**" will be construed accordingly.

"**Disposal Agent**" means any agent appointed by the Security Agent to realise, dispose of and, if applicable, physically settle Collateral Assets held in a Collateral Account securing the relevant Series of Secured Instruments (or any substitute or replacement entity appointed in respect thereof) following the delivery of a Collateral Enforcement Notice and, if applicable, any sub-agent of, or any other entity appointed by the Disposal Agent.

"**Early Redemption/Settlement Amount**" means, in respect of a Secured Instrument, an amount in the Settlement Currency equal to the greater of zero and the fair market value of such Secured Instrument, less the costs to the Issuer and/or its Affiliates or agents of unwinding any underlying related hedging arrangements (including any costs of funding in respect of such hedging arrangements) in respect of such Secured Instrument, each as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion. The fair market value of such Secured Instrument shall be calculated by reference to such factors as the Secured Instruments Valuation Agent considers to be appropriate including, without limitation:

(a) market prices or values for any underlying asset(s) to which the Secured Instruments are linked and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;

(b) the remaining term of the Secured Instruments until, in respect of Secured Notes, their scheduled maturity date and final redemption, or, in respect of Secured W&C Instruments, their scheduled exercise and final settlement;

(c) internal pricing models; and

(d) prices at which other market participants might bid for securities similar to the Secured Instruments.

"**Eligibility Criteria**" means, in relation to a Series of Secured Instruments and an Eligible Collateral Class, each of the criteria that is specified to be applicable in the row of the Collateral Assets Table set out in the applicable Final Terms corresponding to such Eligible Collateral Class, save that, even if not specified in the row of the Collateral Assets Table set out in the applicable Final Terms corresponding to such Eligible Collateral Class, no issuer in respect of any Collateral Asset shall be incorporated in the United Kingdom and no payment with respect to, or in connection with, any Collateral Asset shall have a United Kingdom source.

Notwithstanding the Eligibility Criteria specified to be applicable in the applicable Final Terms in respect of a Series of Secured Instruments, the Collateral Agent shall be obliged to refer only

to the terms of the relevant Triparty Account Control Agreement in determining whether the MTM Collateral Assets comply with the eligibility criteria set out in the relevant Triparty Account Control Agreement.

Notwithstanding the foregoing, if "Only Initial Collateral Assets are Eligible" is specified to be applicable in the applicable Final Terms, the only Collateral Assets that will be deemed to meet the Eligibility Criteria of each Eligible Collateral Class will be those which are of the same type as the Collateral Assets Delivered into the Collateral Account on the Issue Date.

"**Eligible Collateral Assets**" means Cash and assets which satisfy all of the Eligibility Criteria applicable to an Eligible Collateral Class. Assets which satisfy all of the Eligibility Criteria that are specified to be applicable to an Eligible Collateral Class will be Eligible Collateral Assets notwithstanding that such assets do not satisfy the Eligibility Criteria applicable to another Eligible Collateral Class.

"**Eligible Collateral Class**" means the Eligibility Criteria that are specified to be applicable in a row of the Collateral Asset Table set out in the applicable Final Terms and which together define a class or type of Eligible Collateral Assets.

"**Extraordinary Security Agent Liabilities**" means Liabilities incurred by the Security Agent and, where applicable, the Disposal Agent, in the event that the Security Agent determines, acting reasonably, that it is necessary or is requested by the Issuer, the Secured Instruments Collateral Provider or any Secured Party to undertake duties which are of an exceptional nature or otherwise outside the scope of the duties of the Security Agent and, where applicable, the Disposal Agent, under the Security Agency Agreement, the Deed of Charge and the Secured Fully Floating Instruments Conditions.

"**Instrument Agents**" means:

(a) in respect of Secured Instruments that are Secured Notes, the Paying Agents; and

(b) in respect of Secured Instruments that are Secured W&C Instruments, the W&C Instrument Agents,

and, each an "**Instrument Agent**".

"**Liability**" means, for the purposes of these Secured Fully Floating Instruments Conditions, any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis (and "**Liabilities**" shall be construed accordingly).

"**Margin Percentage**" means, in respect of a Collateral Asset, the percentage amount specified in the row of the Collateral Assets Table set out in the applicable Final Terms corresponding to the Eligible Collateral Class of such Collateral Asset contained in a Collateral Pool. For the avoidance of doubt, the applicable Final Terms shall specify one Margin Percentage value per Eligible Collateral Class.

"**Margin Value**" means, in respect of an Eligible Collateral Asset in a Collateral Pool on a Collateral Test Date, an amount equal to the quotient of (a) the Market Value of such Eligible Collateral Asset for such Collateral Test Date, divided by (b) the Margin Percentage applicable to such Eligible Collateral Asset, as determined by the Collateral Agent.

"**Market Value**" means, in respect of a Collateral Test Date and an Eligible Collateral Asset in a Collateral Pool that is:

(a) a security, an amount expressed in the Collateral Valuation Currency calculated by the Collateral Agent in its sole discretion as the sum of:

    (i) the market value of such Eligible Collateral Asset in respect of such Collateral Test Date as determined by the Collateral Agent in its sole and absolute discretion

based on the most recently available closing bid price (traded or quoted excluding accrued interest in respect of an Eligible Collateral Asset that is a fixed income debt security) for such Eligible Collateral Asset made available to the Collateral Agent as at the Collateral Valuation Time on such Collateral Test Date. The closing bid price used for these purposes will usually be the closing bid price in respect of the trading day for such Eligible Collateral Asset immediately preceding such Collateral Test Date displayed as of the Collateral Valuation Time on pricing information services used generally by the Collateral Agent for pricing such Eligible Collateral Assets, provided that if the Collateral Agent is unable to obtain the closing bid price of such Eligible Collateral Asset from such pricing information services as of the Collateral Valuation Time on such Collateral Test Date, then the market value shall be determined in good faith by the Collateral Agent in the reasonable exercise of its discretion based on information furnished to the Collateral Agent by one or more brokers in such Eligible Collateral Asset or on the basis of a formula utilised by the Collateral Agent for such purpose in the ordinary course of its business; plus

(ii) in respect of an Eligible Collateral Asset that is a fixed income debt security, accrued but unpaid distributions (if any) on such Eligible Collateral Asset; or

(b) Cash, an amount expressed in the Collateral Valuation Currency equal to its nominal or face amount,

in each case, where the relevant currency or denomination of an Eligible Collateral Asset is other than the Collateral Valuation Currency, the Secured Instruments Valuation Agent shall convert the value of such Collateral Asset (or other relevant values) at the relevant spot rate or spot rates in accordance with such method and as at such time as the Secured Instruments Valuation Agent may select in its discretion, having regard to then-current rates of exchange, and shall notify the Collateral Agent of such converted value.

"**Non-Waived Instruments**" means, in relation to a Series of Secured Instruments and any relevant date, those Secured Instruments which are not Waived Instruments on such date.

"**Notice of Exclusive Control**" means a notice in writing given in accordance with (and in or substantially in the form annexed to) the relevant Triparty Account Control Agreement from the Security Agent (acting in accordance with an Acceleration Instruction) to the Collateral Agent specifying that the Collateral Agent act solely upon the instructions of the Security Agent with respect to the relevant Collateral Account and instructing the Collateral Agent to deliver the Collateral Assets held in such Collateral Account to the Security Agent.

"**Notional Amount**" has the meaning given to it in W&C Instruments Condition 4.

"**Order of Priority**" means the order specified in the applicable Final Terms following which the Security Agent shall apply moneys received following enforcement of the relevant Deed of Charge and the Charged Documents in accordance with Secured Fully Floating Instruments Condition 6 below. The Order of Priority may be the Standard Order of Priority (as defined below) or any alternative order of item (c), (d) and (e) below, as specified in the applicable Final Terms (provided that items (a) and (b) shall always be the first and second items in the Order of Priority).

(a) in from time to time setting aside Security Agent Amounts which the Security Agent will apply in settlement of Security Agent Liabilities and from which the Security Agent may apply in settlement of Extraordinary Security Agent Liabilities;

(b) on a *pro rata* and *pari passu* basis, in payment or satisfaction of all Liabilities incurred by or payable by the Issuer and/or the Secured Instruments Collateral Provider, in relation to the relevant Secured Instruments, to the Security Agent and, where applicable, the Disposal Agent (which shall include any taxes required to be paid, the costs of realising any security (including the distribution of enforcement proceeds and/or, where "Physical Delivery of Collateral Assets" is applicable, Delivery of the Entitlement to the Holders of the related Secured W&C Instruments) and the remuneration of the Security

Agent and, where applicable, the Disposal Agent); such amounts together the "**Security Agent Liabilities**";

(c) in payment of any amounts due to be paid or reimbursed to the Collateral Agent by the Secured Instruments Collateral Provider;

(d) in payment of any amounts due to Holders of Non-Waived Instruments in accordance with Secured Fully Floating Instruments Condition 6 below;

(e) *pro rata* in payment of any amounts owed to the creditors (if any) whose claims have arisen as a result of the creation, operation or liquidation of the Collateral Assets (save to the extent that the claims of any such creditor fall within paragraphs (a) to (d) above); and

(f) payment of the balance (if any) to the Secured Instruments Collateral Provider,

and the "**Standard Order of Priority**" means that the Order of Priority shall follow the order (a), (b), (c), (d), (e), (f) specified above.

"**Physical Delivery of Collateral Assets Disruption Event**" means any event beyond the control of the Issuer, the Secured Instruments Collateral Provider, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), as applicable, as a result of which the Physical Delivery Clearing System cannot Deliver some or all of the Entitlement required to be delivered pursuant to the terms of these Secured Fully Floating Instruments Conditions.

"**Physical Delivery Clearing System**" means, in respect of Secured Notes, the relevant clearing system of the securities account specified by a Holder in accordance with Physical Notes Condition 2 (*Delivery of Entitlement and Asset Transfer Notices*) or, in respect of Secured W&C Instruments, it has the meaning given to it in W&C Instruments Condition 25(C)(b) or 31(A) (as applicable).

"**Relevant Number**" means:

(a) in respect of Secured Instruments that are Secured Notes, the aggregate principal amount outstanding of Non-Waived Instruments of a Series of Secured Instruments divided by the specified denomination of each Non-Waived Instrument of such Series of Secured Instruments; and

(b) in respect of Secured Instruments that are Secured W&C Instruments, the number of Non-Waived Instruments of a Series of Secured Instruments.

"**Required Collateral Default**" means, following receipt by the Secured Instruments Collateral Provider of a Collateral Agent Notice which indicates that the Collateral Test is not satisfied (or will not be satisfied after taking into account any adjustments specified in a Collateral Test Notice), the Secured Instruments Collateral Provider fails to instruct the Collateral Agent to transfer sufficient additional Eligible Collateral Assets into the Collateral Account to satisfy the Collateral Test and/or Deliver the additional necessary Collateral Assets and such failure results in the Collateral Test not being satisfied for one Collateral Business Day following the delivery of such Collateral Agent Notice (when determining whether the Collateral Test has been so satisfied, only Collateral Assets which have actually been transferred to the relevant Collateral Account shall be taken into account).

"**Required Collateral Default Notice**" means a notice (which may be given in any form agreed between the Collateral Agent and the Secured Instruments Collateral Provider, including but not limited to, electronic message, exchange of electronic files or by telephone) given in accordance with the relevant Triparty Account Control Agreement by the Collateral Agent to the Secured Instruments Collateral Provider and the Security Agent, specifying that a Required Collateral Default has occurred.

"**Required Collateral Value**" means, in respect of a Collateral Pool and a Collateral Test Date:

(a) if "MV Collateralisation" is specified as the "Type of Collateralisation" in the applicable Final Terms, the product of (i) the Collateralisation Percentage, multiplied by (ii) the Secured Instrument Market Value in respect of the Secured Instrument Valuation Time for such Collateral Test Date of the relevant Series of Secured Instruments, multiplied by (iii) the Relevant Number of outstanding Non-Waived Instruments of such Series of Secured Instruments;

(b) if "NV Collateralisation" is specified as the "Type of Collateralisation" in the applicable Final Terms, the product of (i) the Collateralisation Percentage, multiplied by (ii) (A) in respect of Secured Instruments that are Secured Notes, the total aggregate principal amount of the Non-Waived Instruments of such Series of Secured Instruments or (B) in respect of Secured Instruments that are Secured W&C Instruments, the sum of the Notional Amount of each outstanding Non-Waived Instrument of such Series of Secured Instruments;

(c) if "Min (MV, NV) Collateralisation" is specified as the "Type of Collateralisation" in the applicable Final Terms, the lower of:

(i) the product of (A) the Collateralisation Percentage, multiplied by (B) the Secured Instrument Market Value in respect of the Secured Instrument Valuation Time for such Collateral Test Date of the relevant Series of Secured Instruments, multiplied by (C) the Relevant Number of outstanding Non-Waived Instruments of such Series of Secured Instruments; and

(ii) the product of (A) the Collateralisation Percentage, multiplied by (B) (I) in respect of Secured Instruments that are Secured Notes, the total aggregate principal amount of the Non-Waived Instruments of such Series of Secured Instruments or (II) in respect of Secured Instruments that are Secured W&C Instruments, the sum of the Notional Amount of each outstanding Non-Waived Instrument of such Series of Secured Instruments; or

(d) if "Max (MV, NV) Collateralisation" is specified as the "Type of Collateralisation" in the applicable Final Terms, the greater of:

(i) the product of (A) the Collateralisation Percentage, multiplied by (B) the Secured Instrument Market Value in respect of the Secured Instrument Valuation Time for such Collateral Test Date of the relevant Series of Secured Instruments, multiplied by (C) the Relevant Number of outstanding Non-Waived Instruments of such Series of Secured Instruments; and

(ii) the product of (A) the Collateralisation Percentage, multiplied by (B) (I) in respect of Secured Instruments that are Secured Notes, the total aggregate principal amount of the Non-Waived Instruments of such Series of Instruments or (II) in respect of Secured Instruments that are Secured W&C Instruments, the sum of the Notional Amount of each outstanding Non-Waived Instrument of such Series of Secured Instruments.

"**Secured Parties**" means the parties referred to in sub-paragraphs (a) to (f) (inclusive) of the definition of Order of Priority (each, a "**Secured Party**").

"**Secured Instruments Collateral Provider**" means Merrill Lynch International (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the Secured Instruments Collateral Provider Agreement and/or these Secured Fully Floating Instruments Conditions) and, if applicable, any sub-agent of, or any other entity appointed by the Secured Instruments Collateral Provider.

"**Secured Instruments Collateral Provider Agreement**" means the agreement between, *inter alia*, Merrill Lynch International as Secured Instruments Collateral Provider and the Issuer as amended, restated and/or supplemented from time to time.

"**Secured Instrument Event of Default**" has the meaning given in Secured Fully Floating Instruments Condition 4.8.

"**Secured Instrument Market Value**" means, in respect of a Series of Secured Instruments in relation to which "MV Collateralisation", "Min (MV, NV) Collateralisation" or "Max (MV, NV) Collateralisation" is applicable and a Collateral Test Date, the amount determined by the Secured Instruments Valuation Agent as the market value applicable to (a) in respect of Secured Instruments that are Secured Notes, the principal amount of each Non-Waived Instrument (equal to the specified denomination of each Non-Waived Instrument) of such Series of Secured Instruments or (b) in respect of Secured Instruments that are Secured W&C Instruments, each Non-Waived Instrument of such Series of Secured Instruments, each as of the Secured Instrument Valuation Time for such Collateral Test Date, which shall be calculated by reference to such factors as the Secured Instruments Valuation Agent considers to be appropriate including, without limitation:

(i) market prices or values for any underlying asset(s) to which the Secured Instruments are linked and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;

(ii) the remaining term of the Secured Instruments until, in respect of Secured Notes, their scheduled maturity date and final redemption, or, in respect of Secured W&C Instruments, their scheduled exercise and final settlement;

(iii) internal pricing models; and

(iv) prices at which other market participants might bid for securities similar to the Secured Instruments.

"**Secured Instruments Valuation Agent**" means Merrill Lynch International (or any substitute or replacement entity (including any Replacement Secured Instruments Valuation Agent) appointed in respect thereof pursuant to the terms of the Valuation Agency Agreement and/or these Secured Fully Floating Instruments Conditions) and, if applicable, any sub-agent of, or any other entity appointed by the Secured Instruments Valuation Agent.

"**Secured Instrument Valuation Date**" means, in respect of a Collateral Test Date, the Collateral Business Day immediately preceding such Collateral Test Date, or, if a valuation of the relevant Secured W&C Instrument is not available on such date, the date of the last available valuation of such Secured W&C Instrument.

"**Secured Instrument Valuation Time**" means, in respect of a Collateral Test Date, the close of trading in the relevant markets on the Secured Instrument Valuation Date for such Collateral Test Date, as determined by the Secured Instruments Valuation Agent in its sole and absolute discretion.

"**Security Agent**" means The Bank of New York Mellon (or any substitute or replacement entity appointed in respect thereof pursuant to the terms of the relevant Security Agency Agreement and/or these Secured Fully Floating Instruments Conditions).

"**Security Agency Agreement**" means the Security Agency Agreement governed by New York law between the Security Agent, the Secured Instruments Collateral Provider and the Issuer as amended, restated and/or supplemented from time to time.

"**Security Agent Amounts**" means such amounts as the Security Agent from time to time determines, acting reasonably, that it shall require in order to satisfy any Extraordinary Security Agent Liabilities, having regard to any amounts received pursuant to Clause 2.6(d) (*Exculpatory Provisions*) of the Security Agency Agreement.

"**Triparty Account Control Agreement**" means the agreement to be entered into between the Collateral Agent, the Secured Instruments Collateral Provider and the Security Agent on each Issue Date specified in the applicable Final Terms for a Series of Secured W&C Instruments, as amended, restated and/or supplemented from time to time.

"**Undeliverable Collateral Assets**" means Collateral Assets which the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) is unable to

deliver in accordance with Secured Fully Floating Instruments Condition 6.8 due to the occurrence of a Physical Delivery of Collateral Assets Disruption Event.

"**Valuation Agency Agreement**" means the agreement between, *inter alia*, the Secured Instruments Valuation Agent and the Issuer as amended, restated and/or supplemented from time to time.

"**Waived Instrument**" means all Secured Instruments held by the Issuer or its Affiliates, including but not limited to, in its capacity as market maker (if applicable), and, in respect of each such Secured Instrument, the Issuer or its Affiliates shall be deemed to have waived its rights (a) to receive the proceeds of realisation of the Collateral Assets securing such Series of Secured Instruments (or where "Physical Delivery of Collateral Assets" is specified as applicable in the applicable Final Terms, delivery of the Collateral Assets) following the enforcement of the relevant Deed of Charge and Charged Documents and (b) to give an Acceleration Notice on the occurrence of a Secured Instrument Event of Default.

3. General

3.1 Issuer of Secured Instruments

MLBV may issue Secured Notes. MLBV and MLICo. may issue Secured W&C Instruments. References herein to "Issuer" shall be to MLBV and/or MLICo, as applicable.

The Secured Instruments will not be guaranteed by any entity. Each reference in the Notes Conditions and the W&C Instruments Conditions to "Guarantor", "MLBV/MLICo. Guarantee", "Guarantee" and "Guarantees" shall be deemed to be deleted in respect of Secured Notes and Secured W&C Instruments.

3.2 Security Agent

In relation to each Series of Secured Instruments, The Bank of New York Mellon shall be appointed as Security Agent and shall undertake the duties of Security Agent in respect of the Secured Instruments as set out below and in the applicable Final Terms, the relevant Deed of Charge and in the Security Agency Agreement. Each party to the Security Agency Agreement has irrevocably and unconditionally waived, and each Secured Party is deemed to have irrevocably and unconditionally waived, any and all right to trial by jury in any action, suit or counterclaim arising in connection with the Security Agency Agreement. The expression "Security Agent" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity appointed as Security Agent in respect thereof pursuant to the terms of the relevant Security Agency Agreement.

In relation to each Series of Secured Instruments, the Security Agent will enter into a Deed of Charge. Under the terms of the relevant Deed of Charge:

(a) the Secured Instruments Collateral Provider will covenant to the Security Agent for itself, the Holders of the Non-Waived Instruments and the other relevant Secured Parties under the Security Agency Agreement that it will duly and punctually pay or discharge the Issuer's obligations in respect of the Series of Secured W&C Instruments to which the Deed of Charge relates and under the Charged Documents, the relevant Deed of Charge and the Security Agency Agreement (the "**Secured Obligations**"), provided that the covenant of the Secured Instruments Collateral Provider to pay the Secured Obligations shall be limited to an amount equal to the proceeds of enforcement of the Collateral Assets; the Secured Instruments Collateral Provider's covenant shall be satisfied only from those proceeds and the Security Agent shall have no remedy against the Secured Instruments Collateral Provider in relation to such covenant other than the enforcement of the security granted by the Deed of Charge; and

(b) the Security Agent will hold the rights granted to it under the relevant Deed of Charge for itself, the Holders of the Non-Waived Instruments and the other relevant Secured Parties under the Security Agency Agreement.

In performing its role under the Programme, the Security Agent does not act as an advisor to or fiduciary or trustee for the Holders of the Secured Instruments or any other party and nothing in any of the documents relating to the Programme shall be interpreted to constitute the Security Agent as a trustee or fiduciary of the Issuer, the Secured Instruments Collateral Provider, the Holders or any other party.

3.3 **Secured Instruments Collateral Provider**

Merrill Lynch International shall undertake the duties of Secured Instruments Collateral Provider in respect of each Series of Secured Instruments as set out in these Secured Fully Floating Instruments Conditions and in the applicable Final Terms and as further provided for in the Secured Instruments Collateral Provider Agreement. The expression "Secured Instruments Collateral Provider" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity appointed as Secured Instruments Collateral Provider in respect thereof pursuant to the terms of the relevant Secured Instruments Collateral Provider Agreement.

3.4 **Collateral Agent**

The Bank of New York Mellon, London Branch shall undertake the duties of Collateral Agent in respect of each Series of Secured Instruments as set out in the relevant Triparty Account Control Agreement in respect of the relevant Series of Secured Instruments. The expression "Collateral Agent" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity appointed as Collateral Agent in respect thereof pursuant to the terms of the relevant Triparty Account Control Agreement.

3.5 **Custodian**

The Bank of New York Mellon, London Branch shall undertake the duties of Custodian to the Secured Instruments Collateral Provider in respect of each Series of Secured W&C Instruments under the terms of the Custodian Agreement to the extent to which those terms relate to the Collateral Assets. The Custodian Agreement provides for the establishment of cash accounts and securities accounts in the name of the Secured Instruments Collateral Provider. The Secured Instruments Collateral Provider shall instruct the Custodian to open a segregated Collateral Account in respect of each Series of Secured Instruments and the relevant Collateral Account shall be operated by the Collateral Agent in accordance with the terms of the relevant Triparty Account Control Agreement. The expression "Custodian" shall include any substitute or replacement entity appointed as Custodian in respect thereof pursuant to the terms of the Custodian Agreement.

3.6 **Secured Instruments Valuation Agent**

Merrill Lynch International shall undertake the duties of Secured Instruments Valuation Agent in respect of the Secured Fully Floating Instruments as set out in these Secured Fully Floating Instruments Conditions and in the applicable Final Terms and as further provided for in the Valuation Agency Agreement. The expression "Secured Floating Instruments Valuation Agent" shall, in relation to the relevant Secured Instruments, include any substitute or replacement entity (including any Replacement Secured Instruments Valuation Agent) appointed as Secured Instruments Valuation Agent in respect thereof pursuant to the terms of the Valuation Agency Agreement.

In making determinations and calculations under these Secured Fully Floating Instruments Conditions, the Secured Instruments Valuation Agent shall act in good faith and in a commercially reasonable manner. In relation to each Series of Secured Instruments, the Secured Instruments Valuation Agent acts solely as an agent of the Issuer, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders.

3.7 **Termination and Replacement**

Each of the Collateral Transaction Documents contain, or will contain, provisions for the termination of such agreement and, as the case may be, the removal or replacement of the role of the relevant Collateral Arrangement Party appointed thereunder. Any such termination,

removal and/or replacement will be effected in accordance with the provisions of such agreements and (other than in respect of the Custodian or the Collateral Agent) these Secured Fully Floating Instruments Conditions and may be effected without the consent of Holders, provided that, in respect of the appointment of a replacement Secured Instruments Valuation Agent in accordance with Secured Fully Floating Instrument Condition 6.10 and the Security Agency Agreement, the Security Agent shall not be required to consider the provisions regarding the appointment of a replacement Secured Instruments Valuation Agent contained in the Valuation Agency Agreement. No such termination or removal shall be effective until a replacement entity has been appointed. The Secured Instruments Valuation Agent shall be required to give notice to Holders of any such termination, removal and/or replacement in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*). Any reference to a Collateral Arrangement Party in these Secured Fully Floating Instruments Conditions shall be deemed to include a reference to any entity appointed as a replacement thereof.

A replacement Collateral Arrangement Party may only be appointed when the following conditions are fulfilled: the replacement Collateral Arrangement Party (other than the replacement Custodian or Collateral Agent): (i) is an institution incorporated and in good standing in the United States of America or one of the States thereof or in a state which is, as at the date of the relevant Collateral Transaction Document, a member state of the European Union or the United Kingdom; (ii) has the requisite resources and legal capacity to perform the duties imposed upon the relevant existing Collateral Arrangement Party under the relevant Collateral Transaction Document and is a recognised provider of the services provided by such Collateral Arrangement Party; (iii) is legally qualified and has the capacity to act as successor to the relevant Collateral Arrangement Party on the terms of the relevant Collateral Transaction Document; and (iv) whose performance of its duties under the relevant Collateral Transaction Document will not cause the Issuer and/or Secured Instruments Collateral Provider to become subject to tax in any jurisdiction where such successor is incorporated, established, doing business, has a permanent establishment or is otherwise considered tax resident.

The Security Agency Agreement contains, or will contain, provisions for the termination of such agreement and the removal or replacement of the Security Agent appointed thereunder. Any such termination, removal and/or replacement will be effected in accordance with the provisions of the Security Agency Agreement and may be effected without the consent of Holders. No such termination or removal shall be effective until a replacement Security Agent has been appointed.

3.8 **Notices**

Where any provision of these Secured Fully Floating Instruments Conditions requires one party to deliver a notice to another party, such notice may be delivered in any form agreed between the parties thereto, including but not limited to, by post, electronic message, fax, exchange of electronic files, SWIFT messages, messages through the relevant clearing system or by telephone (provided that any notice given by telephone must, as soon as reasonably practicable, be confirmed in writing between the parties to such telephone conversation and failure to obtain such confirmation shall not invalidate such notice).

4. **Security**

4.1 **Security**

The obligations of the Issuer in respect of the Secured Instruments will be secured by a Deed of Charge pursuant to which:

(a) the Secured Instruments Collateral Provider charges by way of first fixed charge its rights and title in the Collateral Assets contained in one or more Collateral Accounts. The security interest granted shall be over all of the Secured Instruments Collateral Provider's rights in and to the Collateral Assets Delivered into and held from time to time in the relevant segregated account established with the Custodian pursuant to and in accordance with the applicable terms of the relevant Triparty Account Control Agreement and the Custodian Agreement for such purpose (the "**Collateral Account**"), excluding any

interest or distributions paid on such Collateral Assets to the extent such amounts are not held in the relevant Collateral Account; and

(b) the Secured Instruments Collateral Provider assigns by way of security its rights, title and interest in the Collateral Accounts (including, without limitation, any contractual interests or claims relating to such Collateral Accounts) and the Charged Documents,

in favour of the Security Agent to hold for itself and on behalf of the relevant Holders and the other relevant Secured Parties under the Security Agency Agreement.

Following the delivery of a Collateral Enforcement Notice, any interest or distributions paid in respect of the Collateral Assets held in the Collateral Account will be credited to the Collateral Account and will be subject to the fixed charge set forth in paragraph (a) above.

4.2 **Collateral Pools**

Each Series of Secured Instruments will be secured by a separate Collateral Pool comprising Collateral Assets held in a segregated Collateral Account.

4.3 **Initial Collateral Assets**

On the Issue Date of a Series of Secured Instruments, the Secured Instruments Collateral Provider shall deposit Collateral Assets in the relevant Collateral Account such that the Collateral Test will be satisfied on the Collateral Test Date falling on such Issue Date.

4.4 **Adjustments to Collateral Assets**

On the Secured Instrument Valuation Date for each Collateral Test Date, the Secured Instruments Valuation Agent will determine the Required Collateral Value and will send a Collateral Test Notice to the Collateral Agent prior to 4.30 p.m. London time on such Collateral Test Date, or such other time as may be agreed between the Secured Instruments Collateral Provider and the Collateral Agent from time to time. On the Secured Instrument Valuation Date for each Collateral Test Date, the Secured Instruments Valuation Agent will notify the relevant Instrument Agent, with a copy to the Security Agent, of the aggregate principal amount or number, as applicable, of outstanding Non-Waived Instruments as of such date.

On each Collateral Test Date, the Collateral Agent will calculate the Collateral Value and verify that the Collateral Test is satisfied. When determining whether the Collateral Test is satisfied on a Collateral Test Date, Collateral Assets for which instructions for the transfer to the relevant Collateral Account have been provided on or before such Collateral Test Date will be included for the purposes of such determination provided that sufficient Eligible Collateral Assets are held in the Custodian Account and Collateral Assets for which instructions for the removal from the relevant Collateral Account have been provided on or before such Collateral Test Date will be excluded for the purposes of such determination.

In determining whether the Collateral Test is satisfied, the Collateral Agent will verify that the relevant Collateral Assets comply with the eligibility criteria specified in the collateral schedule of the relevant Triparty Account Control Agreement. The Secured Instruments Collateral Provider shall be solely responsible for ensuring that the Eligibility Criteria specified in the applicable Final Terms is substantively identical to the eligibility criteria specified in the collateral schedule of the Triparty Account Control Agreement and the Collateral Agent shall not be liable to the Holders or any party for any discrepancy therein.

If on the relevant Collateral Test Date the Collateral Agent determines that the Collateral Test is not satisfied, the Collateral Agent will promptly send the Secured Instruments Collateral Provider a Collateral Agent Notice. On the date such Collateral Agent Notice is given, the Secured Instruments Collateral Provider will instruct the Collateral Agent to transfer sufficient additional Eligible Collateral Assets into the relevant Collateral Account to satisfy the Collateral Test.

The Secured Instruments Collateral Provider will ensure that sufficient Eligible Collateral Assets are Delivered into the relevant Collateral Account on or before each Collateral Test Date

to satisfy the Collateral Test in respect of such Collateral Test Date for the relevant Series of Secured Instruments.

4.5 **Substitution or withdrawal of Collateral Assets**

The Secured Instruments Collateral Provider may, subject to the terms of the relevant Triparty Account Control Agreement, withdraw and/or replace Collateral Assets from the relevant Collateral Account provided that following such adjustment the Collateral Test continues to be satisfied. The Secured Instruments Collateral Provider will send or cause to be sent a notice to the Collateral Agent specifying the adjustments to be made to the Collateral Pool (including *inter alia* the type and quantity of any Collateral Assets to be deposited and/or removed).

4.6 **Delegation to Secured Instruments Collateral Provider**

The Issuer has, pursuant to the terms of the Secured Instruments Collateral Provider Agreement, delegated to the Secured Instruments Collateral Provider the role of managing each Collateral Pool to comply with the requirements of these Secured Fully Floating Instruments Conditions (including, but not limited to, compliance with Secured Fully Floating Instruments Conditions 4.3, 4.4 and 4.5).

4.7 **Required Collateral Default**

Following the occurrence of a Required Collateral Default, the Collateral Agent shall send a Required Collateral Default Notice to the Secured Instruments Collateral Provider and the Security Agent, specifying that a Required Collateral Default has occurred. The Secured Instruments Collateral Provider shall notify the Issuer of the Required Collateral Default Notice. The Security Agent shall as soon as reasonably practicable after receiving a Required Collateral Default Notice give notice to the relevant Instrument Agent and the relevant Instrument Agent will as soon as reasonably practicable give notice in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) to all relevant Holders of the receipt of a Required Collateral Default Notice.

4.8 **Secured Instrument Event of Default**

4.8.1 The occurrence of one or more of the following events shall constitute a "**Secured Instrument Event of Default**" with respect to any Series of Secured W&C Instruments:

(a) in respect of Secured Notes:

(i) default shall be made in the payment of any amount of interest due in respect of any such Notes and the default continues for a period of 30 calendar days after the due date; or

(ii) default shall be made in the payment of any principal of any such Notes or in the delivery when due of the Entitlement in respect of any such Notes (in each case whether at maturity or upon redemption or otherwise), and such default continues for a period of 30 calendar days after the due date;

(b) in respect of Secured W&C Instruments:

(i) default shall be made in the payment of any Additional Amount due in respect of any such Non-Waived Instruments and the default continues for a period of 30 calendar days after the due date; or

(ii) default shall be made in the payment of any Cash Settlement Amount or other termination amount of any such Non-Waived Instruments or in the delivery when due of the Entitlement in respect of any such Non-Waived Instruments (in each case whether at settlement or upon redemption or otherwise), and such default continues for a period of 30 calendar days after the due date; or

(c) the Issuer shall fail to perform or observe any other term, covenant or agreement contained in the Terms and Conditions applicable to any of such Secured Instruments or in the Agency Agreement for the period of 90 calendar days after the date on which written notice of such failure, requiring the Issuer, as the case may be, to remedy the same, first shall have been given to the relevant Instrument Agent (which will give notice to the Security Agent) and the Issuer by Holders of at least 33 per cent. of (A) in respect of Secured Instruments that are Secured Notes, the aggregate principal amount of any such Non-Waived Instruments outstanding or (B) in respect of Secured Instruments that are Secured W&C Instruments, the aggregate Notional Amount or by number (as applicable) of any such Non-Waived Instruments outstanding; or

(d) a court having jurisdiction in the premises shall have entered a decree or order granting relief with respect to the Issuer in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of the Issuer or of all or substantially all of its property or for the winding up or liquidation of its affairs, and such decree or order shall have remained in force and unstayed for a period of 60 consecutive calendar days; or

(e) the Issuer shall institute proceedings for relief under any applicable bankruptcy, insolvency or any other similar law now or hereafter in effect, or shall consent to the institution of any such proceedings against it, or shall consent to the appointment of a receiver, liquidator, trustee, assignee, custodian or sequestrator (or similar official) of it or of all or substantially all of its property, or shall make an assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of any of the foregoing; or

(f) a Required Collateral Default has occurred; or

(g) any of (i) a failure by the Issuer and/or Secured Instruments Collateral Provider to comply with or perform any undertaking or obligation to be complied with or performed by it in accordance with the Security Agency Agreement or the relevant Deed of Charge if such failure is continuing after any applicable grace period has elapsed, the expiration or termination of such Security Agency Agreement or Deed of Charge, or (ii) the failing or cessation of such Security Agency Agreement or Deed of Charge, or any security granted by the Issuer and/or Secured Instruments Collateral Provider, to be in full force and effect prior to the satisfaction of all the obligations of such party under these Secured Instruments Conditions or (iii) the Issuer and/or Secured Instruments Collateral Provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Security Agency Agreement or Deed of Charge (or such action is taken by any person or entity appointed or empowered to act on the Issuer's and/or Secured Instruments Collateral Provider's behalf).

If a Secured Instrument Event of Default shall occur and be continuing with respect to any Series of Secured W&C Instruments, then any Holder may, at its option, send an Acceleration Notice through the relevant Clearing System to the relevant Instrument Agent. If the Holder(s) of at least 33 per cent. (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments outstanding send Acceleration Notice(s) through the relevant Clearing System to the relevant Instrument Agent, and if any such default is not waived in accordance with Secured Fully Floating Instruments Condition 4.8.4 below or cured by the Issuer prior to receipt by the relevant Instrument Agent of the latest of such Acceleration Notice(s) required to exceed the 33 per cent. threshold specified above, an "**Acceleration Event**" shall occur in respect of such Series of Secured Instruments.

4.8.2 The relevant Instrument Agent will as soon as reasonably practicable after the occurrence of an Acceleration Event send a notice (in or substantially in the form set out at Schedule 23 of the Agency Agreement) (an "**Acceleration Instruction**") to the Security Agent confirming that the Holder(s) of at least 33 per cent. (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C

Instruments) in aggregate Notional Amount or by number (as applicable) of the Non-Waived Instruments outstanding have delivered Acceleration Notices thereby instructing the Security Agent to:

(a) deliver the notices specified in Secured Fully Floating Instruments Condition 6.1;

(b) enforce the security constituted by the relevant Deed of Charge and distribute the proceeds (and, if applicable, physically settle the Entitlement), in each case, in accordance with its terms and the provisions of these Secured Fully Floating Instruments Conditions and the Security Agency Agreement;

(c) appoint a Disposal Agent, if a Disposal Agent has not already been appointed, and provide instructions to the Disposal Agent in accordance with these Secured Fully Floating Instruments Conditions; and

(d) perform any further actions of the Security Agent specified in these Secured Fully Floating Instruments Conditions, the relevant Deed of Charge and the Security Agency Agreement or any reasonable incidental actions,

provided that if, at any time before the Security Agent has taken any steps to enforce the security constituted by the related Security Agency Agreement and/or Deed of Charge or a judgment or decree for payment of the money due with respect to such Secured Instruments has been obtained by any Holder, the Security Agent is notified in writing by the relevant Instrument Agent that the occurrence of an Acceleration Event and its consequences have been rescinded and annulled in accordance with Secured Fully Floating Instruments Condition 4.8.3 below, then such Acceleration Instruction shall be deemed not to have been given and the Security Agent shall be entitled to rely on any such notification from the relevant Instrument Agent without further enquiry and shall incur no liability to the Holders or any other party for any action taken or not taken prior to or as a result of such notification.

4.8.3 At any time following the occurrence of an Acceleration Event and (i) before the Security Agent has taken any steps to enforce the security constituted by the related Security Agency Agreement and/or Deed of Charge or (ii) a judgment or decree for payment of the money due with respect to such Secured Instruments has been obtained by any Holder, the occurrence of an Acceleration Event and its consequences may be rescinded and annulled upon the written consent of Holders of a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments then outstanding, or by resolution adopted by a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments outstanding present or represented at a meeting of Holders at which a quorum is present, as provided in the Agency Agreement, if:

(a) (i) the Issuer has paid, or has deposited with the relevant Clearing System, a sum sufficient to pay:

(A) in respect of Secured Notes:

(1) all overdue amounts of interest on such Secured Notes;

(2) the principal of such Secured Notes which has become due otherwise by such declaration of acceleration; or

(B) in respect of Secured W&C Instruments:

(1) all overdue Additional Amounts on such Secured W&C Instruments;

(2) the Cash Settlement Amount or other termination amount of such Secured W&C Instruments which has become due otherwise than by such declaration of acceleration; or

(ii) in the case of Secured Instruments to be settled by physical delivery, the Issuer has delivered the relevant assets to any agent appointed by the Issuer to deliver such assets to the Holders of the Non-Waived Instruments; and

(b) all Secured Instrument Events of Default with respect to such Secured Instruments, other than the non-payment of any applicable principal amount, Cash Settlement Amount or other termination amount of such Secured Instruments which has become due solely by such declaration of acceleration, have been cured or waived as provided in Secured Fully Floating Instruments Condition 4.8.4 below.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

4.8.4 Any default by the Issuer and/or Secured Instruments Collateral Provider, other than the events described in Secured Fully Floating Instruments Condition 4.8.1(a) or Secured Fully Floating Instruments Condition 4.8.1(b), and other than an event described in Secured Fully Floating Instruments Condition 4.8.1(c) in respect of a covenant or provision of the Terms and Conditions which cannot be amended or modified without the passing of an Extraordinary Resolution of Holders, may be waived by the written consent of Holders of a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments then outstanding affected thereby, or by resolution adopted by a majority (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments then outstanding present or represented at a meeting of Holders affected thereby at which a quorum is present, as provided in the Agency Agreement. Upon any such waiver, such default shall cease to exist, and any Secured Instrument Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the Agency Agreement, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

4.8.5 Notes Condition 11 (*Events of Default and Rights of Acceleration*) shall not apply in respect of Secured Notes;

4.8.6 Notwithstanding anything to the contrary in the Secured Instruments Conditions or any other agreement, a holder shall not be permitted to exercise any default right with respect to any Secured Instrument or the Collateral Transaction Documents that is related, directly or indirectly, to an affiliate (as such term is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k)) of the Issuer becoming subject to a receivership, insolvency, resolution or similar proceeding (an "**Insolvency Proceeding**"). However, nothing in this paragraph shall restrict the exercise by a holder of any default right against the Issuer with respect to the Secured Instrument that arises as a result of (i) the Issuer becoming subject to an Insolvency Proceeding, (ii) the Issuer not satisfying a payment or delivery obligation pursuant to such Secured Instrument, or (iii) the failure of the Secured Instrument Collateral Provider, or any transferee thereof, to satisfy a payment or delivery obligation pursuant to the Collateral Transaction Documents or any other credit enhancement that supports the Secured Instrument. After an affiliate of the Issuer becomes subject to an Insolvency Proceeding, a Holder seeking to exercise a default right against the Issuer with respect to the Secured Instrument or the Collateral Transaction Documents shall have the burden of proof, by clear and convincing evidence, that the exercise of such default right is permitted thereunder. For purposes of this paragraph, "**default right**" has the meaning assigned to that term in, and shall be interpreted in accordance with 12 C.F.R. § 252.81, 12 C.F.R. § 382.1 and 12 C.F.R. § 47.1, as applicable.

4.8.7 Nothing in the Secured Instruments Conditions or the Collateral Transaction Documents shall prohibit the transfer of the Collateral Transaction Documents, any interest or obligation in or under such Collateral Transaction Documents, or any property securing such Collateral Transaction Documents to a transferee upon or following an affiliate (as such term is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k)) of the Issuer becoming subject to an Insolvency Proceeding.

4.9 **Status**

4.9.1 **Secured Notes**

Notes Condition 3 (*Status of the Notes and the Guarantees*) shall not apply to the Secured Notes. The Secured Notes constitute direct, limited recourse, unsubordinated and secured obligations of the Issuer and rank equally among themselves.

Notwithstanding Notes Condition 3 (*Status of the Notes and the Guarantees*), the obligations of the Guarantor under the Guarantees shall not apply to Secured Notes. **The Secured Notes are not guaranteed by the Guarantor or any other entity.**

4.9.2 **Secured W&C Instruments**

W&C Instruments Condition 2 (*Status of the W&C Instruments and MLBV/MLICo. Guarantee*) shall not apply to the Secured W&C Instruments. The Secured W&C Instruments constitute direct, limited recourse, unsubordinated and secured obligations of the Issuer and rank equally among themselves.

Notwithstanding W&C Instruments Condition 2 (*Status of the W&C Instruments and MLBV/MLICo. Guarantee*), the obligations of the Guarantor under the MLBV/MLICo. Guarantee shall not apply to Secured W&C Instruments. **The Secured W&C Instruments are not guaranteed by the Guarantor or any other entity.**

5. **Secured Instruments Collateral Provider, Collateral Agent, Custodian, Security Agent, Secured Instruments Valuation Agent and relevant Instrument Agent**

In relation to each Series of Secured Instruments, the Secured Instruments Valuation Agent acts solely as an agent of the Issuer, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. In relation to each issue of Secured Instruments, the Collateral Agent acts solely as an agent of the Secured Instruments Collateral Provider, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders or the Issuer.

The Secured Instruments Collateral Provider acts as an arms-length third party and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. For the avoidance of doubt, the Custodian does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders, the Issuer or the Security Agent.

In acting in connection with any Series of Secured Instruments, the Security Agent does not act as an advisor to or fiduciary or trustee for the Holders or any other party and nothing in any of the documents relating to the Programme shall be interpreted to constitute the Security Agent as a trustee or fiduciary of the Issuer, the Secured Instruments Collateral Provider, the Holders or any other party and will not assume any obligation or duty to, or any relationship of agency or trust for or with, any of the Holders of such Secured Instruments.

All calculations and determinations made in respect of the Secured Instruments by the Secured Instruments Collateral Provider, Collateral Agent and Secured Instruments Valuation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Holders and the Security Agent (as applicable).

Each of the Secured Instruments Collateral Provider and Secured Instruments Valuation Agent may, with the consent of the Issuer, delegate any of their obligations and functions to a third party as provided for in the Secured Instruments Collateral Provider Agreement, Valuation Agency Agreement and each Triparty Account Control Agreement, as applicable. The Collateral Agent may delegate any of its obligations and functions to a third party as provided for in the relevant Triparty Account Control Agreement.

In acting in connection with any Series of Secured Instruments, the relevant Instrument Agent shall act solely as an agent of the Issuer and will not assume any obligations towards or relationship of agency or trust for or with any of the Holders of such Secured Instruments.

6. Default, Enforcement and Realisation

6.1 Acceleration and Enforcement of Collateral

If the Security Agent receives an Acceleration Instruction, the Security Agent shall (acting in accordance with such Acceleration Instruction), as soon as reasonably practicable:

(i) deliver a Collateral Enforcement Notice (in or substantially in the form annexed to the relevant Deed of Charge) in respect of such Series of Secured Instruments to each of the Issuer, the Secured Instruments Collateral Provider and the relevant Instrument Agent;

(ii) deliver a Notice of Exclusive Control (in or substantially in the form annexed to the relevant Triparty Account Control Agreement) in respect of the Collateral Account of such Series of Secured Instruments to the Collateral Agent;

(iii) give notice to the relevant Instrument Agent of the occurrence of an Acceleration Event and the delivery of such Collateral Enforcement Notice and Notice of Exclusive Control and the relevant Instrument Agent will give notice of the same in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) to all relevant Holders; and

(iv) appoint a Disposal Agent, if a Disposal Agent has not already been appointed, and provide instructions to the Disposal Agent in accordance with the Secured Fully Floating Instruments Conditions.

Upon delivery of the Collateral Enforcement Notice, all Secured W&C Instruments in respect of which the Collateral Enforcement Notice is served will become immediately due and repayable at their Early Redemption/Settlement Amount and, where "Physical Delivery of Collateral Assets" is specified to be applicable in the applicable Final Terms, such Secured W&C Instruments will also be subject to settlement in accordance with Secured Fully Floating Instruments Condition 6.8.

As soon as reasonably practicable following the delivery of a Collateral Enforcement Notice, the Issuer shall, and shall procure that its Affiliates that hold Waived Instruments, of the Series of Secured Instruments in respect of which the Collateral Enforcement Notice is served, submit such Waived Instruments for cancellation free of payment and, following such cancellation, the Secured Instruments Valuation Agent shall notify the Security Agent of the principal amount or number, as applicable, of outstanding Non-Waived Instruments of such Series.

6.2 Enforcement and Realisation

Following delivery of a Collateral Enforcement Notice in respect of the relevant Series of Secured Instruments, the Security Agent (acting in accordance with an Acceleration Instruction) shall enforce the security constituted by the relevant Deed of Charge relating to the relevant Collateral Pool in accordance with the terms thereof, these Secured Fully Floating Instruments Conditions (as completed by the applicable Final Terms) and the terms of the Security Agency Agreement and will give instructions to the Disposal Agent to:

(a) where "Physical Delivery of Collateral Assets" is specified not to apply in the applicable Final Terms, effect a liquidation and realisation in accordance with Secured Fully Floating Instruments Condition 6.6 of all the Collateral Assets in the Collateral Pool which secures such Series of Secured W&C Instruments and subsequently distribute the relevant Collateral Enforcement Proceeds Share to the relevant Holders in accordance with Secured Fully Floating Instruments Condition 6.5; or

(b) where "Physical Delivery of Collateral Assets" is specified to be applicable in the applicable Final Terms, arrange for delivery of the relevant Entitlement to the relevant Holders in accordance with Secured Fully Floating Instruments Condition 6.8.

6.3 **Liability of the Security Agent**

The Security Agency Agreement contains provisions setting out the standards of liability of the Security Agent including providing that:

(a) in the event that any Secured Party directs the Security Agent to effect the liquidation and realisation of the Collateral Assets in the Collateral Pool which secures the relevant Series of Secured Instruments in a manner that is in accordance with the exact provisions of the Acceleration Instruction, the Security Agent shall not be under any obligation to take any further action (without prejudice to its ability to instruct the Disposal Agent to liquidate and realise the Collateral Assets for the purpose of funding the Security Agent Amounts) if it reasonably believes that (i) it would not be able to recover the Security Agent Amounts that would be incurred in connection with such action from the relevant Collateral Assets or otherwise and/or (ii) it would experience an unreasonable delay in doing so; and

(b) in the event that any Secured Party directs the Security Agent to effect the liquidation and realisation of the Collateral Assets in the Collateral Pool which secures the relevant Series of Secured Instruments in a manner other than in accordance with the exact provisions of the Acceleration Instruction, the Security Agent shall not be under any obligation to take any action unless it has first been indemnified and/or secured and/or pre-funded to its satisfaction

and in, each case, the Security Agent shall have no liability for any such failure to act.

The Security Agent will not, in the absence of its own gross negligence, fraud or wilful misconduct, have any liability in connection with its role under or for the purposes of these Secured Fully Floating Instruments Conditions and it will have no regard to the effect of such action on individual Holders. In no event shall the Security Agent be liable for any special, indirect or consequential loss or any punitive damages including (without limitation) any lost profits.

For the avoidance of doubt, the Security Agent shall be entitled to rely without enquiry on an Acceleration Instruction delivered by the Instrument Agent and on any notice of revocation of such Acceleration Instruction pursuant to Condition 4.8.2 and shall have no obligation to monitor or verify whether the relevant threshold has been met or to monitor or verify whether any Holder that has delivered an Acceleration Notice holds Waived Instruments or Non-Waived Instruments.

6.4 **Enforcement and realisation by Holders**

No Holder shall be entitled to enforce a Deed of Charge or to proceed directly against the Secured Instruments Collateral Provider to enforce the other provisions of a Charged Document unless the Security Agent, having become bound to so enforce or proceed, fails so to do within a reasonable time and such failure is continuing or the Security Agent is prevented from enforcing a Deed of Charge by any court order. If a Holder becomes so entitled, then such Holder shall not be entitled to enforce the relevant Deed of Charge or Charged Document in the United Kingdom.

If the Security Agent becomes bound to enforce a Deed of Charge or a Charged Document and fails to do so within a reasonable time and such failure is continuing or the Security Agent is prevented from enforcing a Deed of Charge by any court order, then, without prejudice to the paragraph above, Holder(s) of at least 33 per cent. (in respect of Secured Instruments that are Secured Notes) in aggregate principal amount or (in respect of Secured Instruments that are Secured W&C Instruments) in aggregate Notional Amount or by number (as applicable) of such Non-Waived Instruments outstanding may remove the Security Agent and appoint a replacement Security Agent in accordance with Secured Fully Floating Instruments Condition 3.7 and the terms of the Security Agency Agreement.

Neither the Issuer nor any Holder shall be entitled to enforce a Triparty Account Control Agreement or the Custodian Agreement or to proceed directly against the Collateral Agent or

the Custodian to enforce the terms of the relevant Triparty Account Control Agreement or the Custodian Agreement (as applicable). Neither the Collateral Agent nor the Custodian shall have any liability to the Issuer or any Holder as to the consequence of any actions taken by the Collateral Agent or Custodian (as applicable).

6.5 **Application and distribution of proceeds of enforcement**

6.5.1 In connection with the enforcement of the security constituted by the relevant Deed of Charge, after the realisation and liquidation of the relevant Collateral Assets in accordance with Secured Fully Floating Instruments Condition 6.6, the Security Agent (acting in accordance with an Acceleration Instruction) shall instruct the Disposal Agent to use the proceeds of such realisation and liquidation of the Collateral Assets to make payment of any amounts payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms and to notify the Secured Instruments Valuation Agent of the Collateral Enforcement Proceeds. Following such payment the Secured Instruments Valuation Agent shall determine the Collateral Enforcement Proceeds Share (if any) in respect of each Non-Waived Instrument and shall notify such amount to the Security Agent, the Disposal Agent and to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*).

6.5.2 Subject as provided below, the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall apply the remaining proceeds from the realisation of the relevant Collateral Assets in a Collateral Pool in meeting the claims of Holders in respect of the Early Redemption/Settlement Amount payable under each Non-Waived Instrument which is secured by the relevant Collateral Pool *pro rata* to the Collateral Enforcement Proceeds Share of each such Non-Waived Instrument.

6.5.3 If the Collateral Enforcement Proceeds Share for a particular Non-Waived Instrument is greater than the Early Redemption/Settlement Amount of such Non-Waived Instrument, then:

(a) where "NV Collateralisation" or "Max (NV, MV) Collateralisation" is specified to be applicable in the applicable Final Terms, such Holder shall be entitled to receive from the Collateral Enforcement Proceeds Share up to the greater of:

(i) the product of (A) the Collateralisation Percentage, multiplied by (B) (I) in respect of Secured Instruments that are Secured Notes, the principal amount of such Non-Waived Instrument or (II) in respect of Secured Instruments that are Secured W&C Instruments, the Notional Amount of such Non-Waived Instrument; and

(ii) the Early Redemption/Settlement Amount,

(the greater of the amounts in sub-paragraphs (i) and (ii) shall be the "**NV Collateralisation Enforcement Proceeds Cap**"). Any excess amount of the Collateral Enforcement Proceeds Share over the NV Collateralisation Enforcement Proceeds Cap will be distributed to the Secured Parties ranking after the Holders of Non-Waived Secured Instruments in accordance with the Order of Priority specified in the applicable Final Terms; or

(b) where "MV Collateralisation" or "Min (NV, MV) Collateralisation" is specified to be applicable in the applicable Final Terms, the Holder is only entitled to receive from the Collateral Enforcement Proceeds Share an amount equal to the Early Redemption/Settlement Amount. Any excess amount of the Collateral Enforcement Proceeds Share over the Early Redemption/Settlement Amount will not be distributed to such Holder but will be distributed to the Secured Parties ranking after the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms.

6.5.4 Where the Collateral Enforcement Proceeds Share for a particular Secured Instrument is less than the Early Redemption/Settlement Amount (such amount being a "Collateral Enforcement

Loss Amount"), such Holder will not be entitled to any further recourse against the Issuer or the Secured Instruments Collateral Provider for such Collateral Enforcement Loss Amount.

6.5.5 The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall determine the date for distribution of the remaining proceeds to Holders in accordance with Secured Fully Floating Instruments Condition 6.5.2 and shall notify such date to the relevant Instrument Agent and the relevant Instrument Agent shall notify Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*).

6.5.6 Moneys held by the Security Agent shall be deposited in its name in an account at such bank or other financial institution as the Security Agent may, acting in good faith and in a commercially reasonable manner, think fit. Any interest paid by such bank or financial institution on such moneys shall be deemed to be Collateral Assets.

6.5.7 To the extent that any proceeds from the liquidation or realisation of the relevant Collateral Assets in a Collateral Pool are not in the Settlement 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 Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), having regard to then-current rates of exchange. Any rate, method and date so specified shall be binding on the Issuer, the Secured Instruments Collateral Provider and the Holders.

6.6 **Method of realisation of Collateral Assets**

Subject as may otherwise be provided for in these Secured Fully Floating Instruments Conditions, in effecting the sales, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) may sell the relevant Collateral Assets in one single tranche or in smaller tranches as it considers appropriate in order to attempt reasonably to maximise the proceeds from such sale. The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) may effect sales of the Collateral Assets (a) on any securities exchange or quotation service on which the Collateral Assets may be listed or quoted, (b) in the over-the-counter market or (c) in transactions otherwise than on such exchanges or in the over-the counter market.

Where the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) disposes of any Collateral Assets other than on any securities exchange or quotation service on which the Collateral Assets may be listed or quoted then:

(a) the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall seek firm bid quotations from at least three independent dealers in assets similar in nature to the relevant Collateral Assets (and, for such purpose, it may seek quotations in respect of such Collateral Assets in their entirety or in respect of a designated part or proportion thereof, as it considers appropriate in order to maximise the proceeds of the sale of such Collateral Assets);

(b) for the purposes of obtaining the quotations referred to in (a) above, the Security Agent or the Disposal Agent may itself provide a bid in respect of the relevant Collateral Assets or any part or proportion thereof; and

(c) the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall be authorised to accept without liability to any party in respect of each relevant part or proportion of the Collateral Assets or, as applicable, the entirety of the relevant Collateral Assets the highest quotation so obtained (which may be a quotation from the Security Agent or the Disposal Agent (when providing such quotations itself, the Security Agent or the Disposal Agent shall act in a commercially reasonable manner)).

Notwithstanding any other provision of these Secured Fully Floating Instruments Conditions, following receipt by the Security Agent of notice of an Acceleration Event, the Security Agent shall be entitled in its sole discretion to instruct the Disposal Agent to liquidate, dispose or

realise any of the Collateral Assets at any time and without regard to any of the provisions of the Secured Fully Floating Instruments Conditions with respect to method, price or time of such realisation, in order to satisfy any Security Agent Amounts, and without liability to any party for any such action.

6.7 **Inability to realise Collateral Assets**

If the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) is unable to sell the relevant Collateral Assets on any securities exchange or quotation service on which the Collateral Assets may be listed or quoted or obtain the three quotations required for the sale of one or more Collateral Assets, in each case pursuant to Secured Fully Floating Instruments Condition 6.6, for a period of one year from the date of the relevant Acceleration Instruction (such Collateral Assets being "**Non-Realised Collateral Assets**"), then notwithstanding any other provision hereof, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall be entitled without liability to any party to sell such Non-Realised Collateral Assets by accepting the first available price for such Non-Realised Collateral Assets.

6.8 **Physical Delivery of Collateral Assets**

6.8.1 Where "Physical Delivery of Collateral Assets" is specified to be applicable in the applicable Final Terms, following enforcement of a Deed of Charge, the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall:

(a) firstly, apply any Cash held in the Collateral Account in payment of any amounts payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms; and

(b) secondly, to the extent that any Cash held in the Collateral Account is insufficient to make payment of any amounts payable to the Secured Parties ranking prior to the Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms, liquidate or realise in accordance with Secured Fully Floating Instruments Condition 6.6 an amount of Collateral Assets sufficient to make the payment of the remainder of such amounts in accordance with the Order of Priority specified in the applicable Final Terms,

the aggregate amount of Collateral Assets remaining in the relevant Collateral Account following such distribution of Cash and liquidation or realisation in accordance with this Secured Fully Floating Instruments Condition 6.8.1, the "Remaining Collateral Assets". The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall notify the Secured Instruments Valuation Agent of the Collateral Assets comprising the Remaining Collateral Assets.

6.8.2 The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) will notify the relevant Instrument Agent and the relevant Instrument Agent will notify Holders of the relevant Collateral Delivery Date in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Conditions 12 (*Notices*) and:

(a) the Secured Instruments Valuation Agent shall aggregate the Unrounded Collateral Assets Entitlement (excluding any Cash) in respect of all Non-Waived Instruments of such Series held by each such Holder and will round down such aggregated Unrounded Collateral Assets Entitlement to the nearest tradable unit of each type of Collateral Asset (the "**Entitlement**" in respect of such Holder);

(b) the Secured Instruments Valuation Agent shall notify the Entitlement in respect of each Holder to the Security Agent and the Disposal Agent and to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*);

(c) the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall deliver the relevant Entitlement to the Holders of the Non-Waived Instruments secured by the relevant Collateral Pool in accordance with the method of transfer of Collateral Assets specified in, with respect to Secured Notes, Physical Delivery Notes Condition 2 (*Delivery of Entitlement and Asset Transfer Notices*) or, with respect to Secured W&C Instruments, W&C Instruments Condition 25(C)(b) or 32(C)(b) (provided that no Expenses shall be payable), as applicable (and each reference therein to "Issuer" shall be deemed to be a reference to "Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent)"); and

(d) the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall realise and liquidate in accordance with Secured W&C Instruments Condition 6.6 the number or fraction of Collateral Assets which it is not possible to deliver to a Holder following rounding by the Secured Instruments Valuation Agent in accordance with sub-paragraph (a) above as notified to the Security Agent and the Disposal Agent in accordance with sub-paragraph (b) above and shall notify the Secured Instruments Valuation Agent of the amount of the proceeds of such realisation and liquidation. The Secured Instruments Valuation Agent shall notify the Fractional Cash Amount in respect of each Holder to the Security Agent and the Disposal Agent and to the Holders in accordance with in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*). The Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall pay the relevant Fractional Cash Amount to each Holder.

Delivery of such Entitlement and payment of such Fractional Cash Amount shall fully extinguish the Issuer's obligations in respect of the relevant Secured W&C Instruments notwithstanding that the value of the Entitlement so delivered and Fractional Cash Amount so paid may be less than the market value and/or nominal value of the relevant Secured W&C Instrument.

6.8.3 A Holder is only entitled to receive its Entitlement (and any Fractional Cash Amount) and delivery thereof is subject to Secured Fully Floating Instruments Condition 6.9. Any remaining Collateral Assets will be liquidated by the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) and the proceeds thereof distributed to the Secured Parties ranking after Holders of Non-Waived Instruments in accordance with the Order of Priority specified in the applicable Final Terms.

6.8.4 Where the Entitlement for a particular Holder is less than the sum of the Early Redemption/Settlement Amounts that would be payable in respect of each Non-Waived Instrument held by such Holder if "Physical Settlement of Collateral Assets" were deemed to be not applicable (such loss amount, the "**Collateral Enforcement Loss Amount**"), such Holder shall not be entitled to any further recourse against the Issuer, the Secured Instruments Collateral Provider or any other party for such Collateral Enforcement Loss Amount.

6.8.5 W&C Instruments Condition 5 shall not apply in respect of Secured W&C Instruments.

6.8.6 Physical Delivery Notes Condition 3 (*Settlement Disruption Event*), Physical Delivery Notes Condition 4 (*Failure to Deliver due to Illiquidity*) and Physical Delivery Notes Condition 5 (*Option to Vary Settlement*) shall not apply in respect of Secured Notes.

6.8.7 To the extent that any Cash in a Collateral Pool is not in the Settlement Currency, such Cash 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 Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), having regard to then-current rates of exchange. Any rate, method and date so specified shall be binding on the Issuer, the Secured Instruments Collateral Provider and the Holders.

6.8.8 For the purposes of these Secured Fully Floating Instruments Conditions, the following definitions will apply:

"**Collateral Delivery Date**" means, in relation to a Series of Secured W&C Instruments where "Physical Delivery of Collateral Assets" is applicable, the date on which the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) intends to deliver the Entitlement to Holders.

"**Fractional Cash Amount**" means, in respect of a Holder, an amount in the Settlement Currency determined by the Secured Instruments Valuation Agent as the sum of:

(a) the *pro rata* share of the proceeds of such realisation and liquidation of such Holder whose Entitlement is subject to rounding (determined by the Secured Instruments Valuation Agent in respect of each Holder, on the basis of the difference between the aggregated Unrounded Collateral Assets Entitlement of such Holder minus the Entitlement of such Holder); plus

(b) the *pro rata* share of any Cash comprised in the Remaining Collateral Assets of such Holder (determined by the Secured Instruments Valuation Agent in respect of each Holder, on the basis of the aggregated Unrounded Collateral Assets Entitlement of such Holder).

"**Remaining Collateral Assets**" has the meaning given in Secured Fully Floating Instruments Condition 6.8.1.

"**Unrounded Collateral Assets Entitlement**" means, for each Non-Waived Instrument in a Series of Secured Instruments, the lesser of:

(a) Collateral Assets with a Market Value equal to the Market Value of the Collateral Assets comprising such Non-Waived Instrument's *pro rata* share of the Remaining Collateral Assets, in each case, as determined by the Collateral Agent in respect of the Secured Instrument Valuation Time for the Collateral Test Date immediately preceding delivery of the Collateral Enforcement Notice; and

(b) Collateral Assets with a Market Value determined by the Collateral Agent in respect of the Secured Instrument Valuation Time for the Collateral Test Date immediately preceding delivery of the Collateral Enforcement Notice equal to, if the applicable Final Terms specify:

(i) "NV Collateralisation" or "Max (NV, MV) Collateralisation" to be applicable, the greater of:

(A) the product of (I) the Collateralisation Percentage, multiplied by (II) (1) in respect of Secured Instruments that are Secured Notes, the principal amount of such Non-Waived Instrument or (2) in respect of Secured Instruments that are Secured W&C Instruments, the Notional Amount of such Non-Waived Instrument; and

(B) the Early Redemption/Settlement Amount in respect of such Non-Waived Instrument; or

(ii) "MV Collateralisation" or "Min (NV, MV) Collateralisation" to be applicable, the Early Redemption/Settlement Amount in respect of such Non-Waived Instrument,

in each case, as determined by the Secured Instruments Valuation Agent.

6.8.9 This Condition 6.8 shall not apply to Secured Instruments which are Rule 144A Instruments.

6.9 **Physical Delivery of Collateral Assets Disruption Event**

6.9.1 If, in the opinion of the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), delivery of all or some of the Collateral Assets forming part of the Entitlement using the method of delivery specified in respect of Secured Notes, in Physical Delivery Note Condition 2 (*Delivery of Entitlement and Asset Transfer Notices*) or, in

respect of Secured W&C Instruments, W&C Instruments Condition 25(C)(b) or 32(C)(b) (as applicable and as notified to the Disposal Agent by the Security Agent), or such other commercially reasonable manner as the Security Agent, or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), has determined, is not practicable by reason of a Physical Delivery of Collateral Assets Disruption Event having occurred and continuing on any Collateral Delivery Date, then such Collateral Delivery Date shall be postponed to the first following Collateral Business Day in respect of which there is no such Physical Delivery of Collateral Assets Disruption Event, provided that the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) may elect in its sole discretion and without liability to any party to deliver the Collateral Assets forming part of the Entitlement in such other commercially reasonable manner as it may select and in such event the Collateral Delivery Date shall be such day as the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) deems appropriate in connection with delivery of the Collateral Assets forming part of the Entitlement in such other commercially reasonable manner.

Where a Physical Delivery of Collateral Assets Disruption Event affects some but not all of the Collateral Assets forming part of the Entitlement due to be delivered to a Holder, the Collateral Delivery Date for those Collateral Assets forming part of the Entitlement which are able to be delivered will be the Collateral Delivery Date on which such Collateral Assets are delivered.

6.9.2 If delivery of any Collateral Assets forming part of the Entitlement is not possible due to the occurrence of a Physical Delivery of Collateral Assets Disruption Event for a period of greater than 20 Collateral Business Days, then in lieu of physical settlement and notwithstanding any other provision hereof, the Security Agent (acting in accordance with an Acceleration Instruction) or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall sell or realise the Undeliverable Collateral Assets in the manner set out in Secured Fully Floating Instruments Condition 6.6 and deliver the proceeds thereof to Holders.

6.9.3 If the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) is unable to either sell the Collateral Assets on any securities exchange or quotation service on which the Collateral Assets may be listed or quoted or obtain the three quotations required for the sale of the Collateral Assets, in each case pursuant to Secured Fully Floating Instruments Condition 6.6, the Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent) shall be entitled, without the Security Agent or the Disposal Agent incurring any liability to any party, to accept the first available price for such Collateral Assets.

The Security Agent or the Disposal Agent (acting on behalf of and at the instruction of the Security Agent), shall give notice as soon as practicable to the relevant Instrument Agent and the relevant Instrument Agent will give notice as soon as practicable to Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) that a Physical Delivery of Collateral Assets Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Non-Waived Instruments in the event of any delay in the delivery of the Collateral Assets forming part of the Entitlement due to the occurrence of a Physical Delivery of Collateral Assets Disruption Event and no liability in respect thereof shall attach to the Issuer, the Secured Instruments Collateral Provider, the Security Agent or the Disposal Agent.

6.9.4 This Condition 6.9 shall not apply to Secured Instruments which are Rule 144A Instruments.

6.10 **Replacement Secured Instruments Valuation Agent**

If, following the delivery of a Collateral Enforcement Notice, the Secured Instruments Valuation Agent fails to make the applicable calculations and determinations specified in this Secured Fully Floating Instruments Condition 6, or fails to notify the Security Agent or the Disposal Agent of the results of such calculations and determinations, within a reasonable time and in any event within 20 Collateral Business Days of receipt of a written request from the Security Agent and/or Disposal Agent (acting on behalf of and at the instruction of the Security Agent) that it make such calculations and determinations, then the Security Agent shall as soon as reasonably practicable appoint a replacement Secured Instruments Valuation Agent (a

"**Replacement Secured Instruments Valuation Agent**") in accordance with Secured Fully Floating Instruments Condition 3.7.

7. **Segregation of Collateral Pools and Limited Recourse and Non-Petition**

By acquiring and holding Secured Instruments, Holders will be deemed to acknowledge and agree that the obligations of the Issuer to the Holders are limited in recourse to the Collateral Assets contained in the relevant Collateral Pool securing such Series of Secured Instruments. If:

(a) there are no relevant Collateral Assets in the relevant Collateral Pool remaining which are capable of being realised or otherwise converted into cash;

(b) all amounts available from the relevant Collateral Assets in the relevant Collateral Pool have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the relevant Deed of Charge, the Security Agency Agreement and these Secured Fully Floating Instruments Conditions; and

(c) there are insufficient amounts available from the relevant Collateral Assets in the relevant Collateral Pool to pay in full, in accordance with the provisions of the relevant Deed of Charge, the Security Agency Agreement and these Secured Fully Floating Instruments Conditions, amounts outstanding under the Secured Instruments (including payments of principal, premium (if any) and interest),

then the Holders of such Secured Instruments shall have no further claim against the Issuer or the Secured Instruments Collateral Provider in respect of any amounts owing to them which remain unpaid (including, for the avoidance of doubt, payments of principal, premium (if any) and/or interest in respect of the Secured Instruments). In particular, no Holder shall be entitled to have recourse to the Collateral Assets contained in a Collateral Pool other than the Collateral Pool which secures the Secured Instruments held by such Holder. The Secured Instruments are not guaranteed by the Guarantor or any other entity and therefore Holders will have no claim against the Guarantor or any other entity in respect of any such amounts owing to them which remain unpaid.

8. **Collateral Disruption Events**

Upon the occurrence, as determined by the Secured Instruments Valuation Agent, of a Collateral Disruption Event, the Issuer may at its option and in its sole discretion give notice to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments, W&C Instruments Condition 12 (*Notices*) and cancel all but not some only of the Secured Instruments of the relevant Series at the Early Redemption/Settlement Amount on the date specified by the Issuer in the notice to Holders, provided that such date shall be no later than two Business Days following the date of such notice.

9. **MTM Trigger Event**

9.1 **Consequences of a MTM Trigger Event**

If "MTM Trigger Event" is specified to be applicable in the applicable Final Terms and a MTM Trigger Event occurs or is continuing in respect of a Series of Secured Instruments, as determined by the Secured Instruments Valuation Agent, the Issuer shall:

(a) in respect of Secured Notes, redeem all but not some only of the Secured Notes of such Series by giving notice to the Holders in accordance with Notes Condition 14 (*Notices*); or

(b) in respect of Secured W&C Instruments, cancel all but not some only of the Secured W&C Instruments of such Series by giving notice to Holders in accordance with W&C Instruments Condition 12 (*Notices*).

If the Issuer cancels the Secured Instruments due to the occurrence of a MTM Trigger Event, then the Issuer shall pay an amount in the Settlement Currency equal to the Early

Redemption/Settlement Amount to each Holder in respect of each Non-Waived Instrument held by such Holder.

Payment will be made in such manner and on such date as shall be notified by the Issuer to the Holders in accordance with, in respect of Secured Notes, Notes Condition 14 (*Notices*) and, in respect of Secured W&C Instruments W&C Instruments Condition 12 (*Notices*), provided that such date shall be no later than two Business Days following the date of such notice.

9.2 **Additional Definitions**

For the purposes of this Secured Fully Floating Instruments Condition 9, the following definitions will apply:

"**MTM Trigger Event**" means, in respect of a Series of Secured Instruments, that (and a MTM Trigger Event shall have occurred if) the Secured Instrument Intra-day Market Value at any time during Specified Business Hours on any MTM Trigger Observation Day falling in the MTM Trigger Observation Period is (a) if "less than the MTM Trigger Level" is specified in the applicable Final Terms, less than the MTM Trigger Level or (b) if "less than or equal to the MTM Trigger Level" is specified in the applicable Final Terms, less than or equal to the MTM Trigger Level, as determined by the Secured Instruments Valuation Agent.

"**MTM Trigger Level**" means the amount specified as such in the applicable Final Terms.

"**MTM Trigger Observation Day**" means each day falling in the MTM Trigger Observation Period on which levels, prices or values of each of the underlying asset(s) of the Secured W&C Instruments are announced, published or determined by the relevant exchange(s), quotation system(s), trading facility(ies), price source(s), sponsor(s) or service provider(s) (as applicable) in respect of such underlying asset(s) or any other relevant reference source(s) for the valuation of such underlying asset(s), as determined by the Secured Instruments Valuation Agent or any other day specified as such in the applicable Final Terms or otherwise determined as provided in the applicable Final Terms.

"**MTM Trigger Observation Period**" means the period specified as such in the applicable Final Terms or otherwise determined as provided in the applicable Final Terms.

"**Secured Instrument Intra-day Market Value**" means, in respect of a Series of Secured Instruments and any relevant time on any relevant day, the amount determined by the Secured Instruments Valuation Agent as the market value applicable to each Non-Waived Instrument of such Series of Secured Instruments as of such time on such day, which shall be calculated by reference to such factors as the Secured Instruments Valuation Agent considers to be appropriate including, without limitation:

(a) market prices or values for any underlying asset(s) to which the Secured Instruments are linked and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;

(b) the remaining term of the Secured Instruments until, in respect of Secured Notes, their scheduled maturity date and final redemption, or, in respect of Secured W&C Instruments, their scheduled exercise and final settlement;

(c) internal pricing models; and

(d) prices at which other market participants might bid for securities similar to the Secured Instruments.

"**Specified Business Hours**" means, in respect of any day, the time period from, and including, 5.00 a.m., Sydney time, on that day, to and including, 5.00 p.m., New York City time, on that day, or such other time period(s) specified in the applicable Final Terms or otherwise determined as provided in the applicable Final Terms.

10. Release of Security

The security constituted by the relevant Deed of Charge will be released in relation to Collateral Assets that are withdrawn from the Collateral Account in accordance with Secured Fully Floating Instruments Condition 4.4 or Secured Fully Floating Instruments Condition 4.5 and in accordance with the provisions of the relevant Deed of Charge.

ANNEX 15

ADDITIONAL TERMS AND CONDITIONS FOR PREFERENCE SHARE LINKED NOTES

1. **Interpretation**

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Preference Share Linked Notes shall comprise the terms and conditions of the Notes (the "**Note Conditions**") and the Additional Terms and Conditions for Preference Share Linked Notes set out below (the "**Preference Share Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Note Conditions and the Preference Share Linked Conditions, the Preference Share Linked Conditions shall prevail. In the event of any inconsistency between (a) the Note Conditions and the Preference Share Linked Conditions and (b) the applicable Final Terms, the Final Terms shall prevail.

2. **Definitions**

For the purposes of the Note Conditions and these Preference Share Linked Conditions:

"**Early Redemption Amount**" means, in respect of each Preference Share Linked Note, an amount in the Specified Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Preference Share Value (Early)}/\text{Preference Share Value (Initial)})$$

provided that if the Preference Share Linked Notes become due and payable following an Event of Default pursuant to Note Condition 11 (*Events of Default and Rights of Acceleration*), the Early Redemption Amount shall be equal to the fair market value of the Preference Share Linked Notes (taking into account all factors which the Calculation Agent determines to be relevant, but no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of such Preference Share Linked Notes) less Associated Costs (as defined in Note Condition 7(G) (*Early Redemption Amounts*)).

"**Early Redemption Valuation Date**" has the meaning given in Preference Share Linked Condition 6.

"**Preference Share Issuer**" means Preface Holdings Limited.

"**Preference Share Linked Notes**" means any Notes in respect of which the "Redemption/Payment Basis" is specified to be "Preference Share Linked" in the applicable Final Terms.

"**Preference Shares**" means the relevant class of preference shares as specified in the applicable Final Terms.

"**Preference Share Value**" means, in respect of any day, the market value of a Preference Share on such day, as determined by the Calculation Agent.

"**Preference Share Value (Early)**" means the Preference Share Value on the Early Redemption Valuation Date.

"**Preference Share Value (Initial)**" means the Preference Share Value on the Strike Date.

"**Strike Date**" means the date specified as such in the applicable Final Terms.

3. **No Interest**

No interest shall accrue on any Preference Share Linked Notes.

4. **Redemption at Maturity**

Unless previously redeemed or purchased and cancelled as provided in the Note Conditions or elsewhere in these Preference Share Linked Conditions, each Preference Share Linked Note will be redeemed by the Issuer at its Final Redemption Amount in the relevant Specified Currency on the Maturity Date. If the Final Redemption Valuation Date is to be adjusted in accordance with these Preference Share Linked Conditions, the Maturity Date shall be adjusted to the fifth Business Day following the adjusted Final Redemption Valuation Date. None of the Preference Share Linked Notes will be Physical Delivery Notes.

"**Final Redemption Amount**" means, in respect of each Preference Share Linked Note, an amount in the Specified Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Preference Share Value (Final)}/\text{Preference Share Value (Initial)})$$

"**Final Redemption Valuation Date**" means the date specified as such in the applicable Final Terms.

"**Maturity Date**" means the date specified as such in the applicable Final Terms.

"**Preference Share Value (Final)**" means the Preference Share Value on the Final Redemption Valuation Date.

5. **Mandatory Early Redemption**

If "Mandatory Early Redemption" is specified as "Applicable" in the applicable Final Terms, upon the determination by the Calculation Agent that a Preference Share Automatic Early Redemption Event has occurred, the Issuer shall redeem the Preference Share Linked Notes, in whole, but not in part, at their Mandatory Early Redemption Amount on the Mandatory Early Redemption Date. If the Mandatory Early Redemption Valuation Date is to be adjusted in accordance with these Preference Share Linked Conditions, the Mandatory Early Redemption Date shall be adjusted to the fifth Business Day following the adjusted Mandatory Early Redemption Valuation Date. The Issuer shall not be obliged to make any further payment under the Preference Share Linked Notes subsequent to such early redemption.

"**Mandatory Early Redemption Amount**" means, in respect of each Preference Share Linked Note, an amount in the Specified Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Preference Share Value (Mandatory)}/\text{Preference Share Value (Initial)})$$

"**Mandatory Early Redemption Date**" means the date specified as such in the applicable Final Terms.

"**Mandatory Early Redemption Valuation Date**" means such date as specified in the applicable Final Terms on which the Preference Share Automatic Early Redemption Event may occur.

"**Preference Share Automatic Early Redemption Event**" means the occurrence of an automatic early redemption event under the terms and conditions of the Preference Shares, as determined by the Calculation Agent.

"**Preference Share Value (Mandatory)**" means the Preference Share Value on the Mandatory Early Redemption Valuation Date.

6. **Unscheduled Early Redemption**

The Issuer may redeem the Preference Share Linked Notes, in whole, but not in part, at any time prior to maturity at their Early Redemption Amount if the Calculation Agent determines that an Early Redemption Event has occurred. Notice of intention to redeem the Preference Share Linked Notes, which shall specify the Early Redemption Valuation Date and the date fixed for

the redemption, will be given by the Issuer to the Noteholders in accordance with Note Condition 14 (*Notices*) as soon as reasonably practicable following the relevant Early Redemption Event.

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption and/or Increased Cost of Hedging.

"**Change in Law**" means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Hedge Position or (B) the Issuer and/or its Affiliates will incur a materially increased cost in performing its obligations in relation to the Preference Share Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

"**Early Redemption Event**" means that (i) the Calculation Agent determines that an Extraordinary Event has occurred, (ii) the Issuer has become aware that the Preference Shares will redeem prior to their scheduled redemption other than pursuant to a Preference Share Automatic Early Redemption Event, or (iii) the Calculation Agent determines that an Additional Disruption Event has occurred.

"**Early Redemption Valuation Date**" means (i) in the case of an Early Redemption Event other than an Insolvency Filing, the date determined by the Calculation Agent following the Early Redemption Event provided that such date shall be a date within a minimum period of time required in order to value the Preference Share Linked Notes following the Early Redemption Event and must be a date on which the Preference Shares remain in issue and (ii) in the case of an Insolvency Filing, the date immediately preceding the date of such Insolvency Filing as determined by the Calculation Agent, as the case may be.

"**Extraordinary Event**" means a Merger Event, a Nationalisation, an Insolvency, an Insolvency Filing and/or a Preference Share Adjustment Event.

"**Hedging Entity**" means the Issuer and/or any of its Affiliates or agents engaged in any underlying or hedging transactions relating to the Preference Share Linked Notes and/or the Preference Shares in respect of the Issuer's obligations under the Preference Share Linked Notes.

"**Hedging Disruption**" means that a Hedging Entity or Hypothetical Dealer (as applicable) is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Hedge Positions it deems necessary to hedge the market risk (or any other relevant price risk including, without limitation, the bond price risk, credit price risk, currency risk, equity price risk, dividend risk, interest rate risk, foreign exchange risk, warrant price risk) of the Issuer issuing and performing its obligations with respect to the Preference Share Linked Notes, or (ii) realise, recover or remit the proceeds of any such Hedge Positions.

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (a) assets, positions, or loans in securities, options, futures, derivatives or foreign exchange or (b) other instruments or arrangements (howsoever described) by a Hedging Entity or Hypothetical Dealer (as applicable), in order to hedge, individually or on a portfolio basis, the Issuer issuing and performing its obligations with respect to the Preference Share Linked Notes.

"**Hypothetical Dealer**" means a hypothetical broker dealer subject to the same securities laws and rules and regulations of any securities regulators, exchanges and self-regulating organisations as applying to the Hedging Entity.

"**Increased Cost of Hedging**" means that a Hedging Entity or Hypothetical Dealer (as applicable) would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i)

acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Hedge Positions it deems necessary to hedge the market risk (or any other relevant price risk including, without limitation, the bond price risk, credit price risk, currency risk, equity price risk, dividend risk, interest rate risk, foreign exchange risk, warrant price risk) of the Issuer issuing and performing its obligations with respect to the Preference Share Linked Notes, or (ii) realise, recover or remit the proceeds of any such Hedge Positions, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the relevant Hedging Entity or Hypothetical Dealer (as applicable) shall not be deemed an Increased Cost of Hedging.

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, administration, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Preference Share Issuer such that (i) all or substantially all the assets of the Preference Share Issuer are required to be transferred to a trustee, liquidator, administrator, receiver, administrative receiver or other similar official or (ii) holders of transferrable securities issued by the Preference Share Issuer become legally prohibited from transferring such securities, provided that if the Preference Share Issuer is incorporated or formed in Jersey, (1) a reference to "winding-up", "administration", "insolvency", "insolvent", "bankruptcy", "liquidation" or "dissolution" includes, without limitation, "bankruptcy" (as that term is interpreted pursuant to Article 8 of the Interpretation (Jersey) Law 1954), a compromise or arrangement of the type referred to in Article 125 of the Companies (Jersey) Law 1991, any procedure of process referred to in Part 21 of the Companies (Jersey) Law 1991, and a reference to "analogous proceeding" means any other similar proceedings affecting the rights of creditors generally under Jersey law; and (2) a reference to "receiver", "administrative receiver", "administrator" or the like includes, without limitation, the Viscount of the Royal Court of Jersey, *Autorisés* or any other person performing the same function of each of the foregoing.

"**Insolvency Filing**" means that the Preference Share Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Preference Share Issuer shall not be deemed an Insolvency Filing. The proviso to the definition of "Insolvency" above shall also apply in respect of this definition.

"**Merger Date**" means the date upon which holders of the necessary number of Preference Shares (other than in the case of a takeover offer, Preference Shares owned or controlled by the offeror) to constitute a Merger Event have agreed or have irrevocably become obliged to transfer their Preference Shares.

"**Merger Event**" means, in respect of any relevant Preference Shares, any (i) reclassification or change of such Preference Shares that results in a transfer of or an irrevocable commitment to transfer all of such Preference Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Preference Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which the Preference Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Preference Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Preference Shares that results in a transfer of or an irrevocable commitment to transfer all such Preference Shares (other than such Preference Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Preference Share Issuer or its subsidiaries with or into another entity in which the Preference Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Preference Shares outstanding but results in the outstanding Preference Shares (other than Preference Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Preference Shares immediately following such event, in each case if the Merger Date is on or before the Relevant Event Cut-off Date.

"**Nationalisation**" means that all the Preference Shares or all or substantially all the assets of the Preference Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Preference Share Adjustment Event**" means any adjustment to the terms and conditions of the Preference Shares or amounts or values previously determined by the Calculation Agent in respect of the Preference Shares, in accordance with the terms and conditions of the Preference Shares.

"**Relevant Event Cut-off Date**" means the last occurring Mandatory Early Redemption Valuation Date, Optional Redemption Valuation Date or Final Redemption Valuation Date in respect of the relevant Preference Share Linked Notes.

"**Trade Date**" means the date specified as such in the applicable Final Terms.

7. **Optional Redemption of Preference Share Linked Notes**

If "Redemption at the Option of the Issuer" is specified to be applicable in the applicable Final Terms, the Issuer may give notice of the specified Notice Period to the Noteholders in accordance with Note Condition 14 (*Notices*) and will redeem all (but not some only) of the Preference Share Linked Notes, each Note to be redeemed by payment of the Optional Redemption Amount on the Optional Redemption Date.

If "Redemption at the Option of the Noteholders" is specified to be applicable in the applicable Final Terms, a Noteholder shall have the option to require the Issuer to redeem its Preference Share Linked Note(s), upon such Noteholder giving notice of the specified Notice Period to the Issuer in accordance with Note Condition 14 (*Notices*). The Issuer will then, upon expiry of such notice, redeem, subject to and in accordance with the terms specified in the applicable Final Terms, in whole (but not in part), such Note(s) at the relevant Optional Redemption Amount, on the Optional Redemption Date(s).

This Preference Share Linked Condition 7 shall prevail over Note Conditions 7(D) (*Redemption at the Option of the Issuer (Issuer Call)*) and 7(E) (*Redemption at the Option of the Noteholders (Investor Put)*).

"**Notice Period**" means the minimum number of Business Days as specified in the applicable Final Terms.

"**Optional Redemption Amount**" means, in respect of each Preference Share Linked Note, an amount in the Specified Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Preference Share Value (Optional)}/\text{Preference Share Value (Initial)})$$

"**Optional Redemption Valuation Date**" means the date specified as such in the applicable Final Terms. The applicable Final Terms may provide that the Optional Redemption Valuation Date will be specified in the notice relating to the Redemption at the Option of the Issuer.

"**Optional Redemption Date**" the date specified as such in the applicable Final Terms. The applicable Final Terms may provide that the Optional Redemption Date will be specified in the notice relating to the Redemption at the Option of the Issuer.

"**Preference Share Value (Optional)**" means the Preference Share Value on the Optional Redemption Valuation Date.

8. **No Gross-up for Withholding Tax**

A holder of Preference Share Linked Notes must pay all taxes arising from or payable in connection with all payments relating to the Preference Share Linked Notes. All payments in respect of the Securities shall be made free and clear of, and without withholding or deduction for, any present or future taxes of whatever nature imposed, levied, collected, withheld or assessed by or within the United States or the Netherlands (or any authority or political

subdivision thereof or therein having power to tax) unless such withholding or deduction is required by law.

In that event, the Issuer, the Guarantor or the Paying Agent, as the case may be, shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, the Guarantor nor the Paying Agent will be obliged to pay any Additional Tax Amounts to holders of the Preference Share Linked Notes in respect of such withholding or deduction, and any such withholding or deduction shall not be an Event of Default under Note Condition 11 (*Events of Default and Rights of Acceleration*).

Note Condition 9 (*Taxation*) shall not apply to any Preference Share Linked Notes. Accordingly, the Issuer shall not exercise any redemption right pursuant to Note Conditions 7(B) (*Redemption for Tax Reasons*) and 7(C) (*Redemption for Tax Compliance Reasons*).

9. **Adjustment of Valuation Dates**

"**Valuation Date**" means any of the Strike Date, Mandatory Early Redemption Valuation Date, Optional Redemption Valuation Date or Final Redemption Valuation Date as specified in the Final Terms, provided that any such Valuation Date may be adjusted to align with its corresponding valuation date under the terms and conditions of the Preference Shares if such valuation date of the Preference Shares is adjusted by reason of a disruption, adjustment or other actual or potential event concerning the underlying asset or reference basis (or any part thereof) for the Preference Shares. Any adjustment to the Valuation Dates shall be carried out at the Calculation Agent's sole discretion.

ANNEX 16

ADDITIONAL TERMS AND CONDITIONS FOR INDEX-LINKED FUTURES CONTRACTS

1. **Interpretation**

The provisions (the "**Index-Linked Futures Contract Conditions**") of this annex shall apply to Notes and W&C Instruments for which the applicable Final Terms specify that these Index-Linked Futures Contract Conditions shall apply.

Unless the context otherwise requires, terms defined in the Index-Linked Conditions, Notes Conditions and W&C Instruments Conditions, the applicable Additional Terms and Conditions, and the applicable Final Terms shall have same meaning when used in these Index-Linked Futures Contract Conditions.

In the event of any inconsistency between the Index-Linked Conditions, Notes Conditions, in the case of Notes, or the W&C Instruments Conditions, in the case of W&C Instruments and the Index-Linked Futures Contract Conditions, these Index-Linked Futures Contract Conditions shall prevail. In the event of any inconsistency between (a) the Index-Linked Conditions, Note Conditions or the W&C Instruments Conditions and/or the Index-Linked Futures Contracts Conditions and (b) the applicable Final Terms, the applicable Final Terms shall prevail. References in the Index-Linked Futures Contract Conditions to "Instrument" and "Instruments" shall be deemed to be references to "Note" and "Notes" or "W&C Instrument" and "W&C Instruments" as the context admits.

2. **Definitions**

The following terms and expressions shall have the following meanings in relation to the Instruments to which these Index-Linked Futures Contract Conditions apply:

"**Applicable Delivery Month**" means, in respect of an Applicable Index, the delivery month for such Applicable Index as specified in the applicable Final Terms.

"**Applicable Index**" means each Index in the applicable Final Terms which has been designated an "Applicable Index".

"**Derivatives Exchange**" means, in respect of an Applicable Index and the Index-Linked Futures Contract, the exchange or quotation system specified as such in the applicable Final Terms in respect of such Applicable Index, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Index-Linked Futures Contract has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Index-Linked Futures Contract on such temporary substitute exchange or quotation system as on the original Derivatives Exchange).

"**Daily Settlement Price**" means, in respect of an Index-Linked Futures Contract for an Applicable Index and any day, the official settlement price of the relevant Index-Linked Futures Contract (howsoever described under the rules of the relevant Derivatives Exchange or its clearing house) for such day published by the Derivatives Exchange or its clearing house, as determined by the Calculation Agent, or as may otherwise be described in the relevant Final Terms.

"**Final Settlement Price**" means, in respect of an Index-Linked Futures Contract for an Applicable Index and any day, the final official settlement price of such Index-Linked Futures Contract (howsoever described under the rules of the relevant Derivatives Exchange or its clearing house) for such day published by the Derivatives Exchange or its clearing house, or as may otherwise be described in the applicable Final Terms.

"**Index-Linked Futures Contract**" in relation to an Applicable Index means the futures contract related to such Applicable Index traded on the Derivatives Exchange for such Applicable Index, with the Applicable Delivery Month.

"**Index-Linked Futures Contract Adjustment Event**" means, and shall have occurred if, the Calculation Agent determines that, any term of the relevant Index-Linked Futures Contract is changed or modified by the Derivatives Exchange (including if it is permanently discontinued), and the Calculation Agent determines that such change or modification could have a material effect on the Instruments, as applicable.

"**Scheduled Valuation Date (Futures Contract)**" for an Applicable Index means the date specified to be the "Valuation Date" in the applicable Final Terms, prior to any adjustment of such date.

"**Valuation Cut-Off Date**" means, in respect of an Applicable Index and a Valuation Date, the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, provided that the Valuation Cut-Off Date shall not fall prior to the Scheduled Valuation Date (Futures Contract) for such Applicable Index.

3. **Valuation Date for Index-Linked Futures Contracts for an Applicable Index**

The "**Valuation Date**" for the Index-Linked Futures Contract for an Applicable Index shall be the Scheduled Valuation Date (Futures Contract) for such Applicable Index, unless:

(a) if the applicable Final Terms specifies for such Applicable Index that the "Final Level" is "Final Settlement Price or Daily Settlement Price" or "Final Settlement Price", and such Scheduled Valuation Date (Futures Contract) is not the last trading day on the Derivatives Exchange of such Index-Linked Futures Contract for such Applicable Index (as determined by the relevant Derivatives Exchange according to the rules of such Derivatives Exchange), in which case the "Valuation Date" for such Index-Linked Futures Contract for such Applicable Index shall be such last trading day, or, if earlier or if trading in the Index-Linked Futures Contract for such Applicable Index does not commence or is permanently discontinued at any time on or prior to the Scheduled Valuation Date (Futures Contract)), the Valuation Cut-Off Date; or

(b) if the applicable Final Terms specifies for such Applicable Index that the "Final Level" is "Daily Settlement Price", and such Daily Settlement Price is not published on such Scheduled Valuation Date (Futures Contract), as determined by the Calculation Agent, in which case the "Valuation Date" for such Index-Linked Futures Contract for such Applicable Index shall be the earlier of the next day on which such Daily Settlement Price is published, or, if earlier or if trading in the Index-Linked Futures Contract for such Applicable Index does not commence or is permanently discontinued at any time on or prior to the Scheduled Valuation Date (Futures Contract)), the Valuation Cut-Off Date.

The Valuation Date for the Index-Linked Futures Contract for an Applicable Index shall not be subject to adjustment pursuant to the Index Linked Conditions.

Where the Index-Linked Futures Contract Conditions apply, the "Reference Item" for the purposes of the Terms and Conditions, the applicable Additional Terms and Conditions, and the applicable Final Terms shall include the Index-Linked Futures Contract for each Applicable Index.

4. **Final Level for an Index-Linked Futures Contract**

In respect of the Index-Linked Futures Contract for an Applicable Index, if the applicable Final Terms specifies for such Applicable Index that the "**Final Level**" is:

(a) "Final Settlement Price or Daily Settlement Price", the "**Final Level**" shall be:

(i) the Final Settlement Price for the Valuation Date, unless the Final Settlement Price for the Valuation Date is not published or is unavailable for any reason on the Valuation Date (whether or not this results from trading in the Index-Linked Futures Contract for such Applicable Index not commencing or being permanently discontinued at any time on or prior to the Valuation Date), as

determined by the Calculation Agent, in which case, the "Final Level" shall be the Daily Settlement Price for the Valuation Date; or

(ii) if both the Final Settlement Price and the Daily Settlement Price in respect of the Valuation Date are not published or are unavailable for any reason on the Valuation Date (whether or not this results from trading in the Index-Linked Futures Contract for such Applicable Index not commencing or being permanently discontinued at any time on or prior to the Valuation Date), as determined by the Calculation Agent, the Calculation Agent shall determine the Final Level using its good faith estimate as of the relevant time on the Valuation Date, taking into consideration all available information that in good faith it deems relevant, including, without limitation, any relevant price of any options contracts or futures contracts on the Applicable Index relevant for determining the official settlement price or any other relevant price of exchange traded futures contracts for the Applicable Index for the Valuation Date; or

(b) "Final Settlement Price", the "**Final Level**" shall be the Final Settlement Price for the Valuation Date, unless the Final Settlement Price for the Valuation Date is not published or is unavailable for any reason on the Valuation Date (whether or not this results from trading in the Index-Linked Futures Contract for such Applicable Index not commencing or being permanently discontinued at any time on or prior to the Valuation Date), as determined by the Calculation Agent, in which case, the Calculation Agent shall determine the Final Level using its good faith estimate as of the relevant time on the Valuation Date, taking into consideration all available information that in good faith it deems relevant, including, without limitation, any relevant price of any options contracts or futures contracts on the Applicable Index relevant for determining the official settlement price or any other relevant price of exchange traded futures contracts for the Applicable Index for the Valuation Date; or

(c) "Daily Settlement Price", the "**Final Level**" shall be the Daily Settlement Price for the Valuation Date, unless the Daily Settlement Price for the Valuation Date is not published or is unavailable for any reason on the Valuation Date (whether or not this results from trading in the Index-Linked Futures Contract for such Applicable Index not commencing or being permanently discontinued at any time on or prior to the Valuation Date), as determined by the Calculation Agent, in which case, the Calculation Agent shall determine the Final Level using its good faith estimate as of the relevant time on the Valuation Date, taking into consideration all available information that in good faith it deems relevant, including, without limitation, any relevant price of any options contracts or futures contracts on the Applicable Index relevant for determining the official settlement price or any other relevant price of exchange traded futures contracts for the Applicable Index for the Valuation Date.

5. **Consequences of an Index-Linked Futures Contract Adjustment Event**

Without duplication of or prejudice to Index Linked Condition 5(b) (which shall govern in the event of any conflict), following the determination by the Calculation Agent that an Index-Linked Futures Contract Adjustment Event has occurred, the Calculation Agent will:

(a) determine the appropriate adjustment, if any, to be made to any one or more of the terms of the Instruments, including without limitation, any variable or term relevant to the settlement or payment under the Instruments as the Calculation Agent determines appropriate to account for such Index-Linked Futures Contract Adjustment Event, and determine the effective date of that adjustment; or

(b) in the case of:

(i) Notes, on giving notice to the Noteholders in accordance with Note Condition 14, redeem all (but not less than all) of the Notes, each Note being redeemed at the Early Redemption Amount; or

(ii) W&C Instruments, on giving notice to Holders in accordance with W&C Instruments Condition 12, cancel the W&C Instruments. If the W&C Instruments are so cancelled, the Issuer will pay an amount to each Holder in respect of each W&C Instrument or Unit, as the case may be, held by him which amount shall be the fair market value of a W&C Instrument or a Unit, as the case may be, taking into account the Index-Linked Futures Contract Adjustment Event, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Instruments Condition 12.

6. **Corrections to price of Index-Linked Futures Contract**

In the event that the relevant price of an Index-Linked Futures Contract which is utilised for any calculation or determination in relation to the Instruments is subsequently corrected and the correction is published by the Derivatives Exchange no later than the Valuation Cut-Off Date, the Calculation Agent will make any determination or determine the amount that is payable or deliverable by reference to such corrected price, and, to the extent necessary, will adjust any relevant terms of the Instruments to account for such correction.

ANNEX 17

ADDITIONAL TERMS AND CONDITIONS FOR REFERENCE RATES

1. Interpretation

If, with respect to a Series of Notes, "Floating Rate Notes" is specified as applicable to a particular Series of Notes in the Final Terms applicable to such Series, the terms, conditions and provisions applicable to such Series of Notes shall consist of such terms, conditions and provisions set forth in the Terms and Conditions of the Notes included in the Offering Circular (the "**Original Note Conditions**"), and those of these Additional Terms and Conditions for Reference Rates (the "**Additional Note Conditions**") that are specified in these Additional Note Conditions and/or the applicable Final Terms to be applicable to the applicable Reference Rate and Notes bearing interest by reference thereto, as and subject to completion and/or amendment in the applicable Final Terms.

If, with respect to a Series of Notes "Floating Rate Notes" is specified as not applicable to a particular Series of Notes in the Final Terms applicable to such Series, but the applicable Final Terms specifies that the principal, interest and/or any other amount payable with respect to such Series or any determination required to be made with respect to such Series or any determination required to be made with respect to such Series is to be determined by reference to any Reference Rate(s) and/or SOFR, SONIA and/or TONA, then, with respect to such Series and unless otherwise specified in the applicable Final Terms, such Reference Rate(s) and/or SOFR, SONIA and/or TONA shall be determined in accordance with the Additional Note Conditions that are specified in these Additional Note Conditions and/or the applicable Final Terms to be applicable to such Reference Rate(s) and/or SOFR, SONIA and/or TONA, and Notes bearing interest by Reference thereto as and subject to completion and/or amendment in the applicable Final Terms. The terms, conditions and provisions applicable to such Series of Notes shall consist of such terms, conditions and provisions set forth in the Original Note Conditions and those of these Additional Note Conditions that are specified in these Additional Note Conditions and/or the applicable Final Terms to be applicable to applicable Reference Rate(s) and/or SOFR, SONIA and/or TONA and Notes bearing interest by reference thereto, as and subject to completion and/or amendment in the applicable Final Terms.

If, with respect to a Series of W&C Instruments, the applicable Final Terms specifies that any amount payable or any determination required to be made in respect of such Series is to be determined directly or indirectly by reference to a Rate Reference Item (as defined in Condition 19 of the Terms and Conditions of the W&C Instruments), then, with respect to such Series of W&C Instruments, references in this Annex 17 to “Notes” or “Floating Rate Notes” shall be deemed to be references to “W&C Instruments,” *mutatis mutandis*, references in this Annex 17 to Original Note Conditions shall be disregarded, and, unless otherwise specified in the applicable Final Terms, the applicable Rate Reference Item(s) set forth in the applicable Final Terms will be determined, in accordance with those of these Additional Note Conditions that are specified in these Additional Note Conditions and/or the applicable Final Terms to be applicable to the applicable Rate Reference Items(s) and W&C Instruments with payments that are to be determined by reference thereto, as and subject to completion and/or amendment in the applicable Final Terms.

With respect to any Series of Notes, in the event of any inconsistency between (a) the Original Note Conditions and (b) the Additional Note Conditions, the Additional Note Conditions shall prevail. With respect to any Series of Notes, in the event of any inconsistency between (a) the Original Note Conditions and/or the Additional Note Conditions that are applicable to such Series and (b) the applicable Final Terms, the applicable Final Terms shall prevail.

With respect to any Series of Notes described above in this Additional Note Condition 1, references to the "Conditions" shall mean the Original Note Conditions, as supplemented, amended and/or completed by the Additional Note Conditions and the applicable Final Terms.

Capitalised or other defined terms used, but not defined, in these Additional Note Conditions have the same meanings as are given to them in the Original Note Conditions and/or the applicable Final Terms.

References to an "Additional Note Condition" are to the applicable numbered and lettered provisions set forth in this Annex 17.

2. **Screen Rate Determination for Certain Reference Rates**

Where (a) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined or (b) the applicable Final Terms otherwise specify that the principal, interest and/or any other amount payable with respect to the applicable Series of Notes is to be determined by reference to BBSW, TORF, the EUR EURIBOR ICE Swap Rate®, the GBP SONIA ICE Swap Rate®, the U.S. Dollar SOFR ICE Swap Rate®, TONA TSR, the KRW CMS Rate and/or a Constant Maturity Swap Rate, then such rate or rates specified in the applicable Final Terms shall be determined by the Calculation Agent in accordance with the provisions of this Additional Note Condition 2.

(a) *Definitions*

For the purposes of these Additional Note Conditions, the following terms shall have the respective meanings set forth below:

"**Calculation Day**" means, in respect of each Interest Period, the date or dates specified in the applicable Final Terms.

"**Interest Determination Date**" means, in respect of each Interest Period, either:

(1) the date or dates specified as such in the applicable Final Terms; or

(2) if no date is so specified and Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the day falling on the number of Banking Days specified in the applicable Final Terms prior to the start of such Interest Period.

"**Relevant Screen Page**" means the Bloomberg (or any successor or replacement service), Reuters (or any successor or replacement service) or other screen page specified as such in the applicable Final Terms or, if none is specified in the applicable Final Terms, the applicable screen page identified in or determined in accordance with Additional Note Conditions 2(b)–(c) below, in each case or such other page as may replace such specified screen page on the applicable information service (or any successor or replacement service).

"**Relevant Time**" means the time specified as such in the applicable Final Terms or, if none is specified in the applicable Final Terms, the applicable time identified in or determined in accordance with Additional Note Conditions 2(b)–(c) below for observation or determination of BBSW, TORF, the EUR EURIBOR ICE Swap Rate®, the GBP SONIA ICE Swap Rate®, the U.S. Dollar SOFR ICE Swap Rate®, TONA TSR, the KRW CMS Rate and/or the applicable Constant Maturity Swap Rate;

"**Specified Maturity**" means the period of maturity of the instrument or obligation from which the Reference Rate is calculated, as specified in the applicable Final Terms.

(b) *BBSW*

If the applicable Final Terms specify (a) "**BBSW**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "**BBSW**" then "**BBSW**" shall mean, for any Interest Determination Date, Calculation Day or any other day on which BBSW is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, a "**BBSW Observation Day**"), the rate for prime bank eligible securities having a tenor closest to the Specified Maturity which is designated as the "AVG MID" on the Refinitiv Screen BBSW Page (or any designation which replaces that designation on that page, or any replacement page, as applicable), or such other Relevant Screen Page as may be specified in the applicable Final Terms, at

approximately 10:30 am, Sydney time (or such other time at which such rate customarily appears on that page, including, if corrected, recalculated or republished by the relevant administrator) ("**Publication Time**") on such BBSW Observation Day. However, if such rate does not appear on the Refinitiv Screen BBSW Page (or any replacement page) by 10:45 am, Sydney time, on such BBSW Observation Day, (or such other time that is 15 minutes after the then prevailing Publication Time), or if it does appear but the Calculation Agent determines that there is an obvious error in that rate, then "**BBSW**" means such other substitute successor or replacement reference rate that a reputable Australian financial institution appointed by the Issuer or the Calculation Agent or the Issuer's other designee (upon written direction of the Issuer) determines, in its sole discretion, is most comparable to "**BBSW**" and is consistent with industry accepted practices, which rate is notified in writing to the Calculation Agent (with a copy to the Issuer) by such alternate financial institution. The rate determined by such alternate financial institution and notified in writing to the Calculation Agent (with a copy to the Issuer) will be expressed as a percentage rate per annum. If "**BBSW**" cannot be determined as described above on any BBSW Observation Day, then "**BBSW**" for the applicable BBSW Observation Day will be equal to (a) if the applicable Final Terms specify "Floating Rate Notes" to be applicable and specify "**BBSW**" to be the Reference Rate, and if BBSW was used as the Reference Rate in the preceding Interest Period, BBSW in effect for the preceding Interest Period or (b) otherwise, the most recent rate that could have been determined in accordance with the first sentence of this paragraph.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines that (i) BBSW is permanently or indefinitely discontinued or (ii) the regulatory supervisor for the administrator of BBSW has issued a public statement or published information announcing that BBSW is no longer representative or otherwise is not appropriate for use as a reference rate for Australian dollar-denominated Floating Rate Notes as of the relevant BBSW Observation Day, in each case prior to a BBSW Observation Day, then "**BBSW**" means such substitute, successor or replacement reference rate that the Issuer or a reputable Australian financial institution or investment bank appointed by the Issuer as described below (after consulting with the Issuer) (the Issuer or such financial institution or investment bank, as applicable, the "**Determining Party**"), determines is most comparable to BBSW and that is consistent with industry-accepted practices for Australian-dollar denominated Floating Rate Notes, which rate is notified in writing to the Calculation Agent (with a copy to the Issuer) if the Determining Party is not the Calculation Agent or the Issuer, as applicable, together with such spread adjustment (which may be positive or negative or zero) that the Determining Party determines in its sole discretion is reasonable to produce in the aggregate a rate that is an industry-accepted substitute, successor or replacement rate for Australian-dollar denominated Floating Rate Notes at such time. In connection with the implementation of such substitute, successor or replacement rate, the Issuer or its designee (after consulting with the Issuer) will have the right to make such changes to (1) any BBSW Observation Day, Interest Payment Date, other relevant date, Business Day Convention or Interest Period, (2) the manner, timing and frequency of determining rates and amounts of interest that are payable on the applicable Series of Notes and the conventions relating to such determination, (3) the timing and frequency of making payments of interest, (4) rounding conventions, (5) tenors, and (6) any other terms or provisions of the relevant Series of Notes, in each case that the Issuer or its designee (after consulting with the Issuer) determines, from time to time, to be reasonable to reflect the implementation of such substitute, successor or replacement rate giving due consideration to any industry-accepted market practice for Australian-dollar denominated Floating Rate Notes (such changes, the "**BBSW Conforming Changes**"). The Issuer may, in its sole discretion, appoint a reputable Australian financial institution or investment bank to assist in determination of an appropriate substitute, successor or replacement reference rate and adjustments thereto (including spread adjustment) and the applicable BBSW Conforming Changes as set forth in the preceding sentence. If the Determining Party determines that there is no such substitute, successor or replacement reference rate as so provided above, BBSW for the applicable BBSW Observation Day will be the equal to (a) if the applicable Final Terms specify "Floating Rate Notes" to be applicable and specify "BBSW" to be the Reference Rate, and if BBSW was used as the

Reference Rate in the preceding Interest Period. BBSW in effect for the previous Interest Period or (b) otherwise, the most recent rate that could have been determined in accordance with the first sentence of the preceding paragraph. The rate determined by the Issuer, Calculation Agent or any reputable Australian financial institution or investment bank appointed by the Issuer as described above will be expressed as a percentage rate per annum. Decisions, determinations and elections made by the Determining Party pursuant to this Additional Note Condition 2(b) will be made in accordance with Additional Note Condition 3.

(c) *TORF*

If the applicable Final Terms specify (a) "**TORF**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "TORF", "TORF" shall mean, for any Interest Determination Date, Calculation Day or any other day on which TORF is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, a "**TORF Observation Day**") the Tokyo Term Risk Free Rate ("**TORF**") for the applicable Specified Maturity provided by QUICK Benchmarks Inc. as administrator of the benchmark (or a successor administrator) ("**TORF Administrator**") to and published by, authorised distributors of TORF at approximately 5:00 p.m., Tokyo time (or any amended publication time for TORF as specified by the TORF Administrator in the TORF benchmark methodology) ("**Publication Time**") on such TORF Observation Day. If the applicable Final Terms specifies a Relevant Screen Page, then the rate described in the preceding sentence, as such rate appears on the Relevant Screen Page and the Relevant Time, will be used. However, if such rate as described in the preceding sentences is subsequently corrected and provided by the TORF Administrator to, and published by, authorised distributors of TORF within the longer of one hour of the time when such rate is first published by authorised distributors of TORF and the republication cut-off time for TORF, if any, as specified by the TORF Administrator in the TORF benchmark methodology, then such rate will be subject to those corrections. If "TORF" cannot be determined as described above on any TORF Observation Day, then the Issuer or its designee (which may be the Calculation Agent) (after consulting with the Issuer) shall determine "TORF" for the Specified Maturity for the applicable TORF Observation Day in its sole discretion after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily is published by the TORF Administrator or authorised distributors or to the sources from which the TORF Administrator obtains the rate input data used by such TORF Administrator to calculate or publish such rate or rate information, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the applicable TORF rate for the Specified Maturity that was most recently published by the administrator of such rate) for the purpose of estimating such rate.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines prior to the Relevant Time on an applicable TORF Observation Day that a General Benchmark Transition Event and related General Benchmark Replacement Date have occurred with respect to TORF for the Specified Maturity, then the provisions set forth in in Additional Note Condition 4(a) (*Benchmark Replacement – General*) will apply to all determinations of the Rate of Interest payable on the applicable Series of Notes.

In accordance with Additional Note Condition 4(a) (*Benchmark Replacement – General*), if the Issuer or its designee (after consulting with the Issuer) has determined that a General Benchmark Transition Event and related General Benchmark Replacement Date have so occurred, the General Benchmark Replacement will replace TORF for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates:

(d) *EUR EURIBOR ICE Swap Rate®*

If the applicable Final Terms specify (a) "**EUR EURIBOR ICE Swap Rate®**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "**EUR EURIBOR ICE Swap Rate®**", then "**EUR EURIBOR ICE Swap Rate®**" shall mean, for any Interest Determination Date, Calculation Day or any other day on which the EUR EURIBOR ICE Swap Rate® is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, an "**EUR Swap Rate Observation Day**"), the EUR EURIBOR ICE Swap Rate® for the Specified Maturity specified in the applicable Final Terms, as calculated and provided as of approximately 11:00 a.m., Frankfurt time (or any amended time specified by the administrator of the EUR EURIBOR ICE Swap Rate® in the benchmark methodology) on such EUR Swap Rate Observation Day, by ICE Benchmark Administration ("**IBA**") as the administrator of the benchmark (or a successor administrator), as such rate appears on the Relevant Screen Page at approximately 12:15 p.m., Frankfurt time, or such other Relevant Time as may be specified in the applicable Final Terms, on such EUR Swap Rate Observation Day, as determined by the Calculation Agent.

If the EUR EURIBOR ICE Swap Rate® for the Specified Maturity cannot be determined in accordance with the foregoing on an applicable EUR Swap Rate Observation Day, and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred with respect to such rate, then the Issuer or its designee (which may be the Calculation Agent) (after consulting with the Issuer) shall determine the EUR EURIBOR ICE Swap Rate® for such Specified Maturity for such EUR Swap Rate Observation Day in its sole discretion after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily is published by the IBA (or a successor administrator) or authorised distributors or to the sources from which IBA (or such successor administrator) obtains the swap rate input data used by IBA (or such successor administrator), to calculate such rate, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the EUR EURIBOR ICE Swap Rate® for the Specified Maturity that was most recently published by IBA (or such successor administrator)) for the purpose of estimating such rate.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines prior to the Relevant Time on an applicable EUR Swap Rate Observation Day that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the EUR EURIBOR ICE Swap Rate® for the Specified Maturity, then the provisions set forth in in Additional Note Condition 5(e) (Benchmark Replacement – Constant Maturity Swap) will apply to the applicable Series of Notes including all determination of the Rate of Interest payable thereon. In accordance with Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap), if the Issuer or its designee (after consulting with the Issuer) has determined that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have so occurred, the Constant Maturity Swap Benchmark Replacement will replace the EUR EURIBOR ICE Swap Rate® for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of Constant Maturity Swap have the meanings set forth under Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap).

(e) *GBP SONIA ICE Swap Rate®*

If the applicable Final Terms specify (a) "**GBP SONIA ICE Swap Rate®**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "**GBP SONIA ICE Swap Rate®**", then "**GBP SONIA ICE Swap Rate®**" shall mean, for any Interest Determination Date,

Calculation Day or any other day on which the GBP SONIA ICE Swap Rate® is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, a "**GBP Swap Rate Observation Day**"), the GBP SONIA ICE Swap Rate® for the Specified Maturity specified in the applicable Final Terms, as calculated and provided as of approximately 11:00 a.m., London time (or any amended time specified by the administrator of the GBP SONIA ICE Swap Rate® in the benchmark methodology) on such GBP Swap Rate Observation Day, by IBA as the administrator of the benchmark (or a successor administrator), as such rate appears on the Relevant Screen Page at approximately 12:15 p.m., London time, or such other Relevant Time as may be specified in the applicable Final Terms, on such GBP Swap Rate Observation Day, as determined by the Calculation Agent.

If the GBP SONIA ICE Swap Rate® for the Specified Maturity cannot be determined in accordance with the foregoing on an applicable GBP Swap Rate Observation Day, and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred with respect to such rate, then the Issuer or its designee (which may be the Calculation Agent) (after consulting with the Issuer) shall determine the GBP SONIA ICE Swap Rate® for such Specified Maturity for such GBP Swap Rate Observation Day in its sole discretion after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily is published by the IBA (or a successor administrator) or authorised distributors or to the sources from which IBA (or such successor administrator) obtains the swap rate input data used by IBA (or such successor administrator), to calculate such rate, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the GBP SONIA ICE Swap Rate® for the Specified Maturity that was most recently published by IBA (or such successor administrator)) for the purpose of estimating such rate.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines prior to the Relevant Time on an applicable GBP Swap Rate Observation Day that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the GBP SONIA ICE Swap Rate® for the Specified Maturity, then the provisions set forth in in Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap) will apply to the applicable Series of Notes including all determinations of the Rate of Interest payable thereon. In accordance with Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap), if the Issuer or its designee (after consulting with the Issuer) has determined that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have so occurred, the Constant Maturity Swap Benchmark Replacement will replace the GBP SONIA ICE Swap Rate® for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of Constant Maturity Swap have the meanings set forth under Additional Note Condition 5(e) (Benchmark Replacement – Constant Maturity Swap).

(f) *U.S. Dollar SOFR ICE Swap Rate®*

If the applicable Final Terms specify (a) "**U.S. Dollar SOFR ICE Swap Rate®**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "**U.S. Dollar SOFR ICE Swap Rate®**", then "**U.S. Dollar SOFR ICE Swap Rate®**" shall mean, for any Interest Determination Date, Calculation Day or any other day on which the U.S. Dollar SOFR ICE Swap Rate® is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, a "**USD Swap Rate Observation Day**"), the U.S. Dollar SOFR ICE Swap Rate® for the Specified Maturity specified in the applicable Final Terms, as calculated and provided as of approximately 11:00 a.m., New York City time (or any amended time specified by the administrator of

the U.S. dollar SOFR ICE Swap Rate® in the benchmark methodology) on such USD Swap Rate Observation Day, by IBA as the administrator of the benchmark (or a successor administrator), as such rate appears on the Relevant Screen Page at approximately 12:15 p.m., New York City time, or such other Relevant Time as may be specified in the applicable Final Terms, on such USD Swap Rate Observation Day, as determined by the Calculation Agent.

If the U.S. dollar SOFR ICE Swap Rate® for the Specified Maturity in respect of any Interest Period cannot be determined in accordance with the foregoing on an applicable USD Swap Rate Observation Day, and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred with respect to such rate, then the Issuer or its designee (which may be the Calculation Agent) (after consulting with the Issuer) shall determine the U.S. dollar SOFR ICE Swap Rate® for such Specified Maturity for such USD Swap Rate Observation Day in its sole discretion after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily is published by the IBA (or a successor administrator) or authorised distributors or to the sources from which IBA (or such successor administrator) obtains the swap rate input data used by IBA (or such successor administrator), to calculate such rate, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the U.S. dollar SOFR ICE Swap Rate® for the Specified Maturity that was most recently published by IBA (or such successor administrator)) for the purpose of estimating such rate.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines prior to the Relevant Time on an applicable USD Swap Rate Observation Day that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the U.S. dollar SOFR ICE Swap Rate® for the Specified Maturity, then the provisions set forth in in Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap) will apply to the applicable Series of Notes including all determinations of the Rate of Interest payable thereon. In accordance with Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap), if the Issuer or its designee (after consulting with the Issuer) has determined that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have so occurred, the Constant Maturity Swap Benchmark Replacement will replace the U.S. Dollar SOFR ICE Swap Rate® for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of Constant Maturity Swap have the meanings set forth under Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap).

(g) *Tokyo Swap Rate (for swaps referencing TONA) or "**TONA TSR**"*

If the applicable Final Terms specify (a) "**TONA TSR**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "**TONA TSR**", then "**TONA TSR**" shall mean, for any Interest Determination Date, Calculation Day or any other day on which TONA TSR is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, an "**JPY Swap Rate Observation Day**"), the 10:00 am Tokyo time (or such other time as specified in the applicable Final Terms) Tokyo Swap Rate (for swaps referencing TONA) for the Specified Maturity, published at or around 10:30 am Tokyo time, or such other Relevant Time as may be specified in the applicable Final Terms, as provided by Refinitiv Benchmark Services (UK) Limited ("**RBSL**") as the administrator of such rate (or a successor administrator) on such JPY Swap Rate Observation Day, as determined by the Calculation Agent. If that rate is subsequently corrected and published by the administrator or authorised distributors of such rate within the longer of (i) one hour of the time when such rate is first published by the administrator or authorised distributors of such rate and (ii) the time on such JPY

Swap Rate Observation Day by which such rate is to be re-published following any corrections thereto, if any, as specified by the administrator in the benchmark methodology for such rate, then that rate will be subject to those corrections.

If TONA TSR for the Specified Maturity cannot be determined in accordance with the foregoing on an applicable JPY Swap Rate Observation Day, and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred with respect to such rate, then the Issuer or its designee (which may be the Calculation Agent) (after consulting with the Issuer) shall determine TONA TSR for such Specified Maturity for such JPY Swap Rate Observation Day in its sole discretion after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily is published by the RBSL (or a successor administrator) or authorised distributors or to the sources from which RBSL (or such successor administrator) obtains the swap rate input data used by RBSL (or such successor administrator), to calculate such rate, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, TONA TSR for the Specified Maturity that was most recently published by RBSL (or such successor administrator)) for the purpose of estimating such rate.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines prior to the Relevant Time on an applicable JPY Swap Rate Observation Day that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to TONA TSR for the Specified Maturity, then the provisions set forth in in Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap) will apply to the applicable Series of Notes including all determinations of the Rate of Interest payable thereon. In accordance with Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap), if the Issuer or its designee (after consulting with the Issuer) has determined that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have so occurred, the Constant Maturity Swap Benchmark Replacement will replace TONA TSR for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of Constant Maturity Swap have the meanings set forth under Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap).

(h) *KRW CMS Rate*

If the applicable Final Terms specify (a) "**KRW CMS Rate**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "**KRW CMS Rate**", then "**KRW CMS Rate**" shall mean, for any Interest Determination Date, Calculation Day or any other day on which the KRW CMS Rate® is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, an "**KRW CMS Rate Observation Day**"), mid-market rate for a Korean won deliverable interest rate swap with a term of the Specified Maturity (quoted on an Actual/365 (Fixed) day count basis) where the floating leg is based on the 91-day Korean won CD rate, equal to the arithmetic mean of the bid and ask rates, as provided by Tullet Prebon Information (or a successor information provider), which appear on the Bloomberg Page "GDCO 4572 33" against the row corresponding to the Specified Maturity (or its successor or replacement page to the applicable page), or on such other Relevant Screen Page as may be specified in the applicable Final Terms), at or around, at or around 4:00 p.m. Seoul time, or such other Relevant Time as may be specified in the applicable Final Terms, on such KRW CMS Rate Observation Day, as determined by the Calculation Agent.

If the KRW CMS rate for the Specified Maturity in respect of any KRW CMS Rate Observation Day cannot be determined in accordance with the foregoing on an applicable

KRW CMS Rate Observation Day, and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred with respect to such rate (or the bid and ask rates from which such rate is calculated), then the Issuer or its designee (which may be the Calculation Agent) (after consulting with the Issuer) shall determine the KRW CMS Rate for such Specified Maturity for such KRW CMS Rate Observation Day in its sole discretion after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily is published by Tullet Prebon Information (or any successor information provider that provides the bid and ask priced from which the KRW CMS Rate is to be calculated), or authorised distributors, or to the sources from which Tullet Prebon Information (or any such successor information provider) obtains the swap rate input data used by Tullet Prebon Information (or any such successor information provider) to calculate or publish such rate or rate information, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the applicable KRW CMS Rate for the Specified Maturity that was most recently published by the administrator of such rate (or able to be calculated by the Calculation Agent based on the published bid and ask prices underlying such rate)) for the purpose of estimating such rate.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines prior to the Relevant Time on an applicable KRW CMS Rate Observation Day that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the to the KRW CMS Rate for the Specified Maturity (or the bid and ask rates from which such rate is calculated), then the provisions set forth in in Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap) will apply to the applicable Series of Notes including all determinations of the Rate of Interest payable thereon. In accordance with Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap), if the Issuer or its designee (after consulting with the Issuer) has determined that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have so occurred, the Constant Maturity Swap Benchmark Replacement will replace the KRW CMS Rate for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of the KRW CMS Rate have the meanings set forth under Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap).

(i) *Constant Maturity Swap Rate*

If the applicable Final Terms specify (a) "**Constant Maturity Swap Rate**" to be the Reference Rate or (b) otherwise specify that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to "**Constant Maturity Swap Rate**", then "**Constant Maturity Swap Rate**" shall mean, for any Interest Determination Date, Calculation Day or any other day on which the applicable Constant Maturity Swap Rate is to be observed or determined in accordance with the terms and provisions set forth in the applicable Final Terms (each such day, a "**Constant Maturity Swap Rate Observation Day**"), the swap rate in the Specified Currency for the Specified Maturity, administered and/or provided by the Designated Constant Maturity Swap Administrator (if any) or the Designated Constant Maturity Swap Provider (if any) specified in the applicable Final Terms, as such rate appears on the Relevant Screen Page specified in the applicable Final Terms at approximately the Relevant Time on such Constant Maturity Swap Rate Observation Day, as determined by the Calculation Agent.

If the applicable Constant Maturity Swap Rate for the Specified Maturity cannot be determined in accordance with the foregoing on an applicable Constant Maturity Swap Rate Observation Day, and a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have not occurred with respect to such rate, then the Issuer or its designee (which may be the Calculation Agent) (after consulting

with the Issuer) shall determine such Constant Maturity Swap Rate for such Specified Maturity for such Constant Maturity Swap Rate Observation Day in its sole discretion after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily is published by the applicable Constant Maturity Swap Administrator or Constant Maturity Swap Provider, as applicable, of such Constant Maturity Swap Rate (or any successor administrator) or authorised distributors or to the sources from which the Constant Maturity Swap Administrator or Constant Maturity Swap Provider, as applicable, of such rate obtains the swap rate input data used by such Constant Maturity Swap Administrator or Constant Maturity Swap Provider, as applicable, to calculate or publish such rate or rate information, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the applicable Constant Maturity Swap Rate for the Specified Maturity that was most recently published by the administrator or provider of such rate for the purpose of estimating such rate.

Notwithstanding the foregoing, if the Issuer or its designee (after consulting with the Issuer) determines prior to the Relevant Time on an applicable Constant Maturity Swap Rate Observation Day that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the applicable Constant Maturity Swap rate for the Specified Maturity, then the provisions set forth in in Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap) will apply to the applicable Series of Notes including all determinations of the Rate of Interest payable thereon. In accordance with Additional Note Condition 4(b) (Benchmark Replacement – Constant Maturity Swap), if the Issuer or its designee (after consulting with the Issuer) has determined that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have so occurred, the Constant Maturity Swap Benchmark Replacement will replace the then-current Constant Maturity Swap Benchmark for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

As used in the foregoing terms and provisions relating to the determination of the Constant Maturity Swap Rate:

"**Designated Constant Maturity Swap Rate Administrator**" means the benchmark or rate administrator specified as such in the applicable Final Terms (or any successor administrator).

"**Designated Constant Maturity Swap Provider**" means the information provider specified as such in the applicable Final Terms (or any successor provider).

"**Specified Currency**" means the currency or currencies specified as such in the applicable Final Terms.

3. **Determination of Compounded Daily Reference Rate**

Where (a) Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined or (b) the applicable Final Terms otherwise specify that the principal, interest and/or any other amount payable with respect to the applicable Series of Notes is to be determined by reference to SOFR, SONIA and/or TONA, then except as otherwise provided pursuant to Additional Note Condition 4 (Reference Rate Discontinuance – Benchmark/Reference Rate Replacement), as applicable, the applicable Compounded Daily Reference Rate and/or SOFR, SONIA and/or TONA, as specified in the applicable Final Terms shall be determined by the Calculation Agent in accordance with the provisions of this Additional Note Condition 3.

(a) *Definition*s

For the purposes of these Additional Note Conditions, the following terms shall have the respective meanings set forth below:

"**Applicable RFR**" means, in respect of an applicable Banking Day:

(A) if Compounded Daily SOFR is specified as the Reference Rate in the applicable Final Terms, SOFR;

(B) if Compounded Daily SONIA is specified as the Reference Rate in the applicable Final Terms, SONIA; or

(C) if Compounded Daily TONA is specified as the Reference Rate in the applicable Final Terms, TONA.

"**Applicable RFR Screen Page**" means the Bloomberg (or any successor or replacement service), Reuters (or any successor or replacement service) or other screen page or administrator's website or other applicable website, source or service specified as such in the applicable Final Terms or, if none is specified in the applicable Final Terms, the applicable screen page, administrator's website or other applicable website, source or service identified with respect to an SOFR, SONIA and/or TONA in this Additional Note Condition 3(a) or Additional Note Condition 3(b)(iii), as applicable, in each case or any successor to such page, website, source and/or service.

"**Banking Day**" or "**BD**" means:

(A) if Compounded Daily SOFR is specified as the Reference Rate in the applicable Final Terms, or if the applicable Final Terms otherwise specify that the principal, interest and/or any other amount payable with respect to the applicable Series of Notes is to be determined by reference to SOFR, a U.S. Government Securities Business Day;

(B) if Compounded Daily SONIA is specified as the Reference Rate in the applicable Final Terms, or if the applicable Final Terms otherwise specify that the principal, interest and/or any other amount payable with respect to the applicable Series of Notes is to be determined by reference to SONIA, a London Banking Day;

(C) if Compounded Daily TONA is specified as the Reference Rate in the applicable Final Terms, or if the applicable Final Terms otherwise specify that the principal, interest and/or any other amount payable with respect to the applicable Series of Notes is to be determined by reference to TONA, a Tokyo Banking Day.

"**Compounded Daily SOFR**" means the Compounded Daily Reference Rate determined with respect to SOFR in accordance with Additional Note Condition 3(b).

"**Compounded Daily SONIA**" means the Compounded Daily Reference Rate determined with respect to SONIA in accordance with Additional Note Condition 3(b).

"**Compounded Daily TONA**" means the Compounded Daily Reference Rate determined with respect to TONA in accordance with Additional Note Condition 3(b).

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

"**Relevant Time**" means the time specified as such in the applicable Final Terms or, if none is specified in the applicable Final Terms, the applicable time identified in or determined in accordance with the definitions set forth in this Additional Note Condition 3(a) or Additional Note Condition 3(b)(iii) below for observation or determination of SOFR, SONIA or TONA or the applicable Compounded Index.

"**SOFR**" means, in respect of any U.S. Government Securities Business Day:

(A) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website or such other Applicable RFR Screen Page as specified in the applicable

Final Terms at 3:00 p.m. (New York City time) (or such other Relevant Time as specified in the applicable Final Terms) on the immediately following U.S. Government Securities Business Day;

(B) if the rate specified in (A) above does not so appear and a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date have not occurred, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website; or

(C) if the Issuer or its designee (after consulting with the Issuer) determines that a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date (each as defined in Additional Note Condition 4(c) (Benchmark Replacement for SOFR Reference Rates)) have occurred with respect to SOFR prior to the SOFR Reference Time (as defined in Additional Note Condition 4(c) (Benchmark Replacement – SOFR)) on such U.S. Government Securities Business Day, then Additional Note Condition 4(c) (Benchmark Replacement – SOFR) will apply to all determinations of the Rate of Interest payable on the applicable Series of Notes.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate).

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source. The information contained on such website is not part of this Offering Circular and is not incorporated in this Offering Circular.

"**SONIA**" means, in respect of any London Banking Day, the daily Sterling Overnight Index Average rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Applicable RFR Screen Page or, subject to Additional Note Condition 4(a) (Benchmark Replacement – General), if the Applicable RFR Screen Page is unavailable, as otherwise published by such authorised distributors in each case at 12:00 p.m. on the London Banking Day immediately following such London Banking Day; provided that if, in respect of any London Banking Day, the Calculation Agent determines that the SONIA rate is not available on the Applicable RFR Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be:

(A) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5:00 p.m. (or, if earlier, close of business) on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads);

(B) if the Bank Rate is not published by the Bank of England at 5:00 p.m. (or, if earlier, close of business) on the relevant London Banking Day and a General Benchmark Transition Event and related General Benchmark Replacement Date has not occurred with respect to SONIA, the SONIA rate published on the Applicable RFR Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA rate was published on the Applicable RFR Screen Page (or otherwise published by the relevant authorised distributors); or

(C) if the Issuer or its designee (after consulting with the Issuer) determines that a General Benchmark Transition Event and related General Benchmark Replacement Date (each as defined in Additional Note Condition 4(a) (Benchmark Replacement – General)) have occurred with respect to SONIA prior to the General Benchmark Reference Time (as defined in Additional Note

Condition 4(a) (Benchmark Replacement – General)) on such London Banking Day, then Additional Note Condition 4(a) (Benchmark Replacement – General) will apply to all determinations of the Rate of Interest payable on the applicable Series of Notes.

Notwithstanding the foregoing provisions, and without prejudice to Additional Note Condition 4(a) (Benchmark Replacement – General), in the event the Bank of England publishes guidance as to (i) how SONIA is to be determined or (ii) any rate of interest that is to replace the SONIA rate, the Calculation Agent shall, in consultation with the Issuer, follow such guidance in order to determine the SONIA rate, for purposes of the Notes, for so long as the SONIA rate is not available or has not been published by the authorised distributors.

"**Tokyo Banking Day**" means any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Tokyo.

"**TONA**" means, in respect of any Tokyo Banking Day:

(A) the reference rate equal to the daily Tokyo Overnight Average Rate for such Tokyo Banking Day as provided by the Bank of Japan, as administrator of such rate (or any successor administrator of such rate), as published on the Reuters Screen TONAT Page (or any successor or replacement service), or such other Applicable RFR Screen Page as specified in the applicable Final Terms, at approximately 10:00 a.m., Tokyo time (or such other Relevant Time) as specified in the applicable Final Terms, on the Tokyo Banking Day immediately following such Tokyo Banking Day, or if the Reuters Screen TONAT Page (or successor or other Applicable RFR Screen Page) is unavailable or if such rate does not so appear, as published by the administrator of such rate or any authorised distributor on the Tokyo Banking Day immediately following such Tokyo Banking Day, as determined by the Calculation Agent;

(B) if neither the administrator nor authorised distributors provide or publish TONA on the Tokyo Banking Day immediately following such Tokyo Banking Day and a General Benchmark Transition Event and related General Benchmark Replacement Date (each as defined in Additional Note Condition 4(a) (Benchmark Replacement – General)) have not occurred with respect to TONA, the Calculation Agent will determine TONA for such Tokyo Banking Day as being TONA in respect of the most recent Tokyo Banking Day for which TONA was published in accordance with the above; or

(C) if the Issuer or its designee (after consulting with the Issuer) determines that a General Benchmark Transition Event and related General Benchmark Replacement Date have occurred with respect to TONA prior to the General Benchmark Reference Time (as defined in Additional Note Condition 4(a) (Benchmark Replacement – General)) on such Tokyo Banking Day, then Additional Note Condition 4(a) (Benchmark Replacement – General) will apply to all determinations of the Rate of Interest payable on the applicable Series of Notes.

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

(b) *Compounded Daily Reference Rates*

Where Compounded Daily is specified in the applicable Final Terms for a Series of Notes as the manner in which the Rate of Interest is to be determined, Original Floating-Rate Note Condition 5(C)(b)(ii) and this Additional Note Condition 3(b), together with the

relevant definitions set forth in Additional Note Condition 3(a), shall apply to the applicable Series of Notes.

(i) *Compounded Daily Reference Rate Determination Conventions*

The applicable Final Terms with respect to a Series of Notes for which Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined will specify a "Determination Convention" for the purpose of determining the Compounded Daily Reference Rate, amount of accrued interest, Interest Periods, the Rate of Interest and/or timing of interest payments for an applicable Interest Period. The Determination Convention will be "Payment Delay," "Observation Period," "Lag," "Rate Cut-Off" or "Index Determination" as specified in the applicable Final Terms.

The "Compounded Daily Reference Rate" in respect of a relevant Series of Notes will be calculated by the Calculation Agent by reference either to (i) the Applicable RFR if the Determination Convention specified in the applicable Final Terms is Payment Delay, Observation Period, Lag or Rate Cut-Off or (ii) the applicable Compounded Index, if the Determination Convention specified in the applicable Final Terms is Index Determination, in each case calculated in accordance with the applicable formula and provisions for the Determination Convention specified in the applicable Final Terms Supplement as set forth in Additional Note Condition 3(b)(ii) or 3(b)(iii) below, as applicable.

(ii) *Compounded Daily Reference Rate Formulas*

Where Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Determination Convention specified in the applicable Final Terms is Payment Delay, Observation Period, Lag or Rate Cut-Off, Condition 5(C)(b)(ii) and this Additional Note Condition 3(b)(ii), together with the relevant definitions set forth in Additional Note Condition 3(a), shall apply to the applicable Series of Notes.

(A) *Payment Delay Determination Convention*

Where "Payment Delay" is specified in the applicable Final Terms as the Determination Convention for the Compounded Daily Reference Rate, the "Compounded Daily Reference Rate" with respect to an Interest Period will be calculated by reference to the Applicable RFR in accordance with the formula set forth below, calculated by the Calculation Agent as soon as reasonably practicable on or after the Interest Period Demarcation Date at the end of such Interest Period (or, in the case of the final Interest Period, the Rate Cut-Off Date) (or on such Interest Determination Date as may be specified in the applicable Final Terms) and prior to the relevant Interest Payment Date:

$$\left[\prod_{i=1}^{\mathrm{d_o}}\left(1+\frac{R_i \times n_i}{D}\right)-1\right]\times\frac{\mathrm{D}}{\mathrm{d}}$$

In addition, if "Payment Delay" is specified in the applicable Final Terms as being the applicable Determination Convention, then, notwithstanding any other provisions in the Conditions, with respect to the applicable Series of Notes (i) all references in the Conditions to "Interest Period" shall mean the period from (and including) an Interest Period Demarcation Date or the Interest Commencement Date, as the case may be, to (but excluding) the next Interest Period Demarcation Date or the first Interest Period Demarcation Date, as the case may be (subject to adjustment (if applicable) in accordance with the Business Day Convention) and (ii) all references in the Conditions to "Interest Payment Dates" shall mean the second Business Day following each Interest Period Demarcation Date,

unless otherwise specified in the applicable Final Terms; provided, that the Interest Payment Date with respect to the final Interest Period for a Series of Notes for which "Payment Delay" is specified in the applicable Final Terms will be the Maturity Date for such Series or, if such Notes are redeemed, the Optional Redemption Date or any other early redemption or repayment date.

The following terms have the following respective meanings for purposes of this Additional Note Condition 3(b)(ii)(A):

"**D**" means 360 or 365, as specified in the applicable Final Terms.

"**d**" means, for the relevant Interest Period, the number of calendar days in such Interest Period.

"$\mathbf{d_o}$" means, for the relevant Interest Period, the number of Banking Days in such Interest Period.

"**i**" means, for the relevant Interest Period, a series of whole numbers from one to d_o, each representing the relevant Banking Day in chronological order from, and including, the first Banking Day in such Interest Period.

"**Interest Period Demarcation Date**" means each date specified as such in the applicable Final Terms.

"$\mathbf{n_i}$", for any Banking Day "**i**" in the relevant Interest Period, means the number of calendar days from, and including, such Banking Day "i" to, but excluding, the following Banking Day.

"**Rate Cut-Off Date**" means, in respect of the final Interest Period, the date falling the number of Banking Days prior to the Maturity Date or earlier redemption date, as applicable, specified as such in the applicable Final Terms.

"$\mathbf{R_i}$" means, for any Banking Day "*i*" in the relevant Interest Period, the Applicable RFR in respect of such Banking Day "*i*" determined by the Calculation Agent, provided however that, in the case of the final Interest Period, in respect of each Banking Day "*i*" in the period from, and including, the Rate Cut-Off Date to, but excluding, the Maturity Date or Optional Redemption Date or any other early redemption or repayment date, as applicable, "Ri" shall be the Applicable RFR in respect of the Rate Cut-Off Date.

(B) *Observation Period Determination Convention*

Where "Observation Period" is specified in the applicable Final Terms as the Determination Convention for the Compounded Daily Reference Rate, the "Compounded Daily Reference Rate" with respect to an Interest Period will be calculated by reference to the Applicable RFR in accordance with the formula set forth below, calculated by the Calculation Agent with respect to the Observation Period relating to such Interest Period as soon as reasonably practicable on or after the last day of such Observation Period (or on such Interest Determination Date as may be specified in the applicable Final Terms) and prior to the relevant Interest Payment Date:

$$\left[\prod_{i=1}^{\mathrm{d_o}}\left(1+\frac{R_i \times n_i}{D}\right)-1\right]\times\frac{\mathrm{D}}{\mathrm{d}}$$

The following terms have the following respective meanings for purposes of this Additional Note Condition 3(b)(ii)(B):

"**D**" means 360 or 365, or as otherwise specified in the applicable Final Terms.

"**d**" means, for the relevant Observation Period, the number of calendar days in such Observation Period.

"**d_o**" means, for the relevant Observation Period, the number of Banking Days in such Observation Period.

"**i**" means, for the relevant Observation Period, a series of whole numbers from one to d_o, each representing the relevant Banking Day in chronological order from, and including, the first Banking Day in such Observation Period.

"**n_i**", for any Banking Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such Banking Day "i" to but excluding the following Banking Day.

"**Observation Period**" means, (a) in respect of Compounded Daily SOFR and Compounded Daily SONIA and the relevant Interest Period, the period from, and including, the date falling "p" Banking Days prior to the first day of such Interest Period to, but excluding, the date which is "p" Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Banking Days prior to such earlier date, if any, on which the Notes become due and payable) and (b) in respect of Compounded Daily TONA and the relevant Interest Period, the period from, and including, the date falling "p" Business Days prior to the first day of such Interest Period to, but excluding, the date which is "p" Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Business Days prior to such earlier date, if any, on which the Notes become due and payable).

"**p**" means, for the relevant Interest Period, the number of Banking Days (or, in the case of Compounded Daily TONA, the number of Business Days) specified to be the Observation Period Shift in the applicable Final Terms (or, if no such number is specified, two Banking Days (or, in the case of Compounded Daily TONA, ten Business Days)).

"**R_i**" means, for any Banking Day "*i*" in the relevant Observation Period, the Applicable RFR in respect of such Banking Day "*i*" determined by the Calculation Agent.

(C) *Lag Determination Convention*

Where "Lag" is specified in the applicable Final Terms as the Determination Convention for the Compounded Daily Reference Rate, the "Compounded Daily Reference Rate" with respect to an Interest Period will be calculated by reference to the Applicable RFR in accordance with the formula set forth below, calculated by the Calculation Agent as soon as reasonably practicable on or after the Banking Day falling "p" Banking Days prior to the final Banking Day in such Interest Period (or on such Interest Determination Date as may be specified in the applicable Final Terms) and prior to the relevant Interest Payment Date:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{r_i - pBD \times n_i}{D}\right) - 1\right] \times \frac{\mathrm{D}}{\mathrm{d}}$$

The following terms have the following respective meanings for purposes of this Additional Note Condition 3(b)(ii)(C):

"**D**" means 360 or 365, as specified in the applicable Final Terms.

"**d**" means, for the relevant Interest Period, the number of calendar days in such Interest Period.

"**d_o**" means, for the relevant Interest Period, the number of Banking Days in such Interest Period.

"**i**" means, for the relevant Interest Period, a series of whole numbers from one to d_o, each representing the relevant Banking Day in chronological order from, and including, the first Banking Day in such Interest Period.

"**n_i**", for any Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such Banking Day "i" to, but excluding, the following Banking Day.

"**p**" means the number of Banking Days specified in the applicable Final Terms (or, if no such number is specified, five Banking Days).

"**Rate Cut-Off Date**" means, if the applicable Final Terms specify that "Rate Cut-Off Option" is applicable, in respect of the relevant Interest Period, the date falling the number of Banking Days prior to relevant Interest Payment Date (or, if applicable, any earlier date for redemption) specified in the applicable Final Terms.

"**r_i-pBD**" means, for any Banking Day "i" in the relevant Interest Period, the Applicable RFR in respect of the Banking Day falling "p" Banking Days prior to the relevant Banking Day "i" determined by the Calculation Agent; provided that, if the applicable Final Terms specifies that "Rate Cut-Off Option" is applicable, in respect of each Banking Day "i" in the period from, and including, the Rate Cut-Off Date with respect to an Interest Payment Date (or if applicable, any earlier date for redemption) to, but excluding, such Interest Payment Date (or, if applicable, any earlier date for redemption), "r_i-pBD" shall be "r_i-pBD" in respect of such Rate Cut-Off Date.

(D) *Rate Cut-Off Determination Convention*

Where "Rate Cut-Off" is specified in the applicable Final Terms as the Determination Convention for the Compounded Daily Reference Rate, the "Compounded Daily Reference Rate" with respect to an Interest Period will be calculated by reference to the Applicable RFR in accordance with the formula set forth below, calculated by the Calculation Agent as soon as reasonably practicable on or after the Rate Cut-Off Date (or on such Interest Determination Date as may be specified in the applicable Final Terms) and prior to the relevant Interest Payment Date:

$$\left[\prod_{i=1}^{\mathrm{d_o}}\left(1+\frac{R_i \times n_i}{D}\right)-1\right]\times\frac{\mathrm{D}}{\mathrm{d}}$$

The following terms have the following respective meanings for purposes of this Additional Note Condition 3(b)(ii)(D):

"**D**" means 360 or 365, as specified in the applicable Final Terms.

"**d**" means, for the relevant Interest Period, the number of calendar days in such Interest Period.

"**d_o**" means, for the relevant Interest Period, the number of Banking Days in such Interest Period.

"**i**" means, for the relevant Interest Period, a series of whole numbers from one to d_o, each representing the relevant Banking Day in chronological order from, and including, the first Banking Day in such Interest Period.

"$\mathbf{n_i}$" for any Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such Banking Day "i" to, but excluding, the following Banking Day.

"**Rate Cut-Off Date**" means, in respect of the relevant Interest Period, the date falling the number of Banking Days prior to relevant Interest Payment Date (or, if applicable, any earlier date of redemption) specified in the applicable Final Terms.

"$\mathbf{R_i}$" means, for any Banking Day "i" in the relevant Interest Period, the Applicable RFR in respect of such Banking Day determined by the Calculation Agent; provided that, in respect of each Banking Day "i" in the period from, and including, the Rate Cut-Off Date with respect to an Interest Payment Date (or, if applicable, any earlier date for redemption) to, but excluding, such Interest Payment Date (or, if applicable, any earlier date for redemption), "Ri" shall be the Applicable RFR in respect of such Rate Cut-off Date.

(iii) *Index Determination*

Where Compounded Daily is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Determination Convention specified in the applicable Final Terms is Index Determination, Original Note Condition 5(C)(b)(ii) and this Additional Note Condition 3(b)(ii), together with the relevant definitions set forth in Additional Note Condition (iii), shall apply to the applicable Series of Notes and the "Compounded Daily Reference Rate" with respect to an applicable Interest Period will be the rate calculated in accordance with the formula set forth below, calculated by the Calculation Agent as soon as reasonably practicable on or after the last day of the applicable Observation Period (or on such Interest Determination Date as may be specified in the applicable Final Terms) and prior to the relevant Interest Payment Date:

$$\left(\frac{Compounded\ Index_{End}}{Compounded\ Index_{Sta}} - 1\right) \times \frac{D}{d}$$

Notwithstanding the foregoing:

(1) If, with respect to the applicable Compounded Index for a Series of Notes, a Compounded $\text{Index}_{\text{Start}}$ or Compounded $\text{Index}_{\text{End}}$ is not published in accordance with the definition of such Compounded Index as set forth below, and a Benchmark Transition Event and related Benchmark Replacement Date have not occurred with respect to the Applicable RFR from which such Compounded Index is calculated, then the "Compounded Daily Reference Rate" with respect to an applicable Interest Period for such Series of Notes will be the rate calculated in accordance with Additional Note Condition 3(b)(ii)(B) ("– Observation Period Determination Convention") as if "Index Determination" were specified in the applicable Final Terms to be not applicable and "Observation Period" were specified to be applicable. For these purposes, (i) the Determination Convention will be deemed to be "Observation Period," (ii) the Applicable RFR Screen Page and Relevant Time will be as set forth in Additional Note Condition 3(a), (iii) the Interest Determination Date(s) will be as set forth in Additional Note Condition 3(b)(ii)(B); and (iv) the Observation Period Shift (p), D and d will be as set forth in the applicable Final Terms under the Index Determination provisions.

(2) If, with respect to a Series of Notes, the Compounded Index is specified in the applicable Final Terms to be SONIA Compounded Index or TONA Compounded Index, and a General Benchmark Transition Event and its related General Benchmark Replacement Date have occurred with respect to SONIA or TONA, as applicable, then the "Compounded Daily Reference Rate" shall be the rate determined pursuant to Additional Note Condition 4(a) (Benchmark Replacement – General).

(3) If, with respect to a Series of Notes, the Compounded Index is specified in the applicable Final Terms to be SOFR Compounded Index, and a SOFR Transition Event and its related SOFR Replacement Date have occurred with respect to SOFR, then the "Compounded Daily Reference Rate" shall be the rate determined pursuant to Additional Note Condition 4(c) (Benchmark Replacement – SOFR).

The following terms have the following respective meanings for purposes of this Additional Note Condition 3(b)(iii):

"**Benchmark Replacement Date**" means, (i) with respect to the SOFR Compounded Index, a SOFR Benchmark Replacement Date and (ii) with respect to the SONIA Compounded Index and the TONA Compounded Index, a General Benchmark Replacement Date.

"**Benchmark Transition Event**" means, (i) with respect to the SOFR Compounded Index, a SOFR Benchmark Transition Event and (ii) with respect to the SONIA Compounded Index and the TONA Compounded Index, a General Benchmark Transition Event.

"**Compounded Index**" means (i) SONIA Compounded Index, (ii) SOFR Compounded Index, or (iii) TONA Compounded Index, as specified in the applicable Final Terms.

"**Compounded IndexStart**" means, with respect to an Interest Period, the Compounded Index value for the date falling "p" Banking Days prior to the first day of such Interest Period (such date, the "Compounded Index Start Date").

"**Compounded IndexEnd**" means, with respect to an Interest Period, the Compounded Index value for the date falling "p" Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Banking Days prior to such earlier date, if any, on which the Notes become due and payable) (such date, the "Compounded Index End Date").

"**D**" means 360 or 365, or as otherwise specified in the applicable Final Terms.

"**d**" means the number of calendar days from (and including) the Compounded Index Start Date to (but excluding) the Compounded Index End Date.

"**Observation Period**" means, (a) in respect of SOFR Compounded Index and SONIA Compounded Index and the relevant Interest Period, the period from, and including, the date falling "p" Banking Days prior to the first day of such Interest Period to, but excluding, the date which is "p" Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Banking Days prior to such earlier date, if any, on which the Notes become due and payable) and (b) in respect of TONA Compounded Index and the relevant Interest Period, the period from, and including, the date falling "p" Business Days prior to the first day of such Interest Period to, but excluding, the date which is "p" Business prior to the Interest Payment Date for such Interest Period (or the date falling "p"

Business Days prior to such earlier date, if any, on which the Notes become due and payable).

"**p**" means, for the relevant Interest Period, the number of Banking Days (or, in the case of the TONA Compounded Index, the number of Business Days)specified to be the Observation Period Shift in the applicable Final Terms (or, if no such number is specified, two Banking Days (or, in the case of the TONA Compounded Index, ten Business Days)).

"**SOFR Compounded Index**" means, with respect to any Banking Day, the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website, or such other Applicable RFR Screen Page as specified in the applicable Final Terms, at 3:00 p.m. (New York time) (or such other Relevant Time as specified in the applicable Final Terms) on such Banking Day.

"**SONIA Compounded Index**" means, with respect to any Banking Day, the SONIA Compounded Index value as published at 10:00 a.m. (London time) (or such other Relevant Time as specified in the applicable Final Terms) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source, or such other Applicable RFR Screen Page as specified in the applicable Final Terms on such Banking Day.

"**TONA Compounded Index**" means, with respect to any Banking Day, the TONA Index in relation to such Banking Day as provided by QUICK Corp (or any successor administrator) and published on the Applicable RFR Screen Page as specified in the applicable Final Terms, or if such Applicable RFR Screen Page is unavailable, as otherwise published by QUICK Corp. (or successor administrator), in each case on such Banking Day.

4. **Reference Rate Discontinuance – Benchmark/Reference Rate Replacement**

(a) *Benchmark Replacement – General*

If the applicable Final Terms for a Series of Notes specifies that (i) the Reference Rate is SONIA, Compounded Daily SONIA, TONA, Compounded Daily TONA or TORF, (ii) the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to SONIA, Compounded Daily SONIA, TONA, Compounded Daily TONA or TORF, or (iii) "Benchmark Replacement – General" provisions are applicable, this Additional Note Condition 4(a) shall apply to such Series of Notes.

(i) *Occurrence of a General Benchmark Transition Event and related General Benchmark Replacement Date.*

Notwithstanding any other provisions in the applicable Conditions, if the Issuer or its designee (after consulting with the Issuer) determines that a General Benchmark Transition Event and related General Benchmark Replacement Date have occurred with respect to the then-current General Benchmark for a Series of Notes prior to the applicable General Benchmark Reference Time in respect of any determination of such then-current General Benchmark required to be made under the Conditions, then the provisions set forth in this Additional Note Condition 4(a) will apply to all determinations of the Rate of Interest and/or any other amount payable on and/or any other determination of the General Benchmark that is required to be made with respect to such Notes.

In accordance with this Additional Note Condition 4(a), if the Issuer or its designee (after consulting with the Issuer) has determined that a General Benchmark Transition Event and its related General Benchmark Replacement

Date have occurred, the General Benchmark Replacement will replace the then-current General Benchmark for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

For the avoidance of doubt, this Additional Note Condition 4(a) shall not apply with respect to the terms of a Series of Notes for which the Reference Rate specified in the applicable Final Terms is, or with respect to which the principal, interest and/or any other amount payable or any determination required to be made is to be determined by reference to BBSW, the EUR EURIBOR ICE Swap Rate®, the GBP SONIA ICE Swap Rate®, the U.S. Dollar SOFR ICE Swap Rate®, TONA TSR, the KRW CMS Rate, a Constant Maturity Swap Rate, SOFR or Compounded Daily SOFR.

(ii) *Effect of a General Benchmark Transition Event and related General Benchmark Replacement Date.*

(A) General Benchmark Replacement. If the Issuer or its designee (after consulting with the Issuer) determines that a General Benchmark Transition Event and related General Benchmark Replacement Date have occurred with respect to the then-current General Benchmark prior to the applicable General Benchmark Reference Time in respect of any determination of the then-current General Benchmark required to be made under the Conditions, the applicable General Benchmark Replacement will replace the then-current General Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations required to be made under the Conditions on all subsequent dates.

(B) General Benchmark Replacement Conforming Changes. In connection with the implementation of a General Benchmark Replacement, the Issuer or its designee (after consulting with the Issuer) will have the right to make General Benchmark Replacement Conforming Changes from time to time.

(iii) *Certain Definitions.*

For purposes of this Additional Note Condition 4(a):

"**General Corresponding Tenor**" with respect to a General Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding Business Day adjustment) as the applicable tenor for the then-current General Benchmark.

"**General Benchmark**" means, initially, (i) any Reference Rate specified in the applicable Final Terms for the Specified Maturity (if applicable), whether such Reference Rate is specified to be the Reference Rate for a Series of Floating Rate Notes or any other determination is required to be made with respect to such Reference Rate (ii) if such Reference Rate is a Compounded Daily Reference Rate, the Applicable RFR from which such Reference Rate is calculated and/or (iii) if any applicable Final Terms specify that any other determination is required to be made with respect to TORF, SONIA and/or TONA, TORF, SONIA and/or TONA, as applicable; provided, that if a General Benchmark Transition Event and related General Benchmark Replacement Date have occurred with respect to such Reference Rate, as applicable, or the then-current General Benchmark, then "General Benchmark" means the applicable General Benchmark Replacement.

"**General Benchmark Replacement**" means, where the then-current General Benchmark is TORF or Screen Rate Determination otherwise is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the General Interpolated Benchmark (if applicable) with respect to the then-current General Benchmark, plus the General Benchmark Replacement

Adjustment for such General Benchmark (if applicable); provided that if the Calculation Agent cannot determine the General Interpolated Benchmark as of the General Benchmark Replacement Date, or if the then-current General Benchmark is other than TORF (and Screen Rate Determination is not specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined), then "General Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer or its designee (after consulting with the Issuer) as of the General Benchmark Replacement Date:

(A) the sum of (a) the alternate rate of interest that has been selected or recommended by the General Relevant Governmental Body or identified through any other applicable regulatory or legislative action or guidance as the replacement for the then-current General Benchmark for the applicable General Corresponding Tenor (if any) and (b) the General Benchmark Replacement Adjustment (if any); and

(B) solely if TORF is the then-current General Benchmark, the sum of (a) the alternate rate of interest that has been selected or recommended by the administrator of TORF as the replacement for TORF for the applicable General Corresponding Tenor (if any) and (b) the General Benchmark Replacement Adjustment (if any); and

(C) the sum of (a) the alternate rate of interest that has been selected by the Issuer or its designee (after consulting with the Issuer) as the replacement for the then-current General Benchmark for the applicable General Corresponding Tenor (if any) giving due consideration to any industry-accepted rate of interest as a replacement for the then-current General Benchmark for floating-rate notes denominated in the Specified Currency (or, if different, the currency of the transactions that the then-current General Benchmark is designated to measure) at such time and (b) the General Benchmark Replacement Adjustment (if any).

If the Issuer or its designee (after consulting with the Issuer) determines that there is no such replacement rate as of the applicable General Benchmark Replacement Date, then:

(A) where the then-current General Benchmark is TORF, or Screen Rate Determination otherwise is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Issuer or its designee (which may be the Calculation Agent) (after consulting with the Issuer) will determine a substitute rate or substitute rate value to be used in place of the then-current General Benchmark for the Specified Maturity for that date of determination after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily was published by the administrator or provider, as applicable, of such then-current General Benchmark or authorised distributors prior to the applicable General Benchmark Transition Event and General Benchmark Replacement Date or to the sources from which the administrator of such then-current General Benchmark obtains the rate input data used by the administrator to calculate or publish such rate or information, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the applicable then-current General Benchmark for the Specified Maturity that was most recently published by the administrator of such rate) for the purpose of determining such substitute rate or substitute rate value;

(B) where the then-current General Benchmark is other than TORF (and Screen Rate Determination is not specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined), the then-current General Benchmark as published in respect of the first preceding

Banking Day for which the then-current General Benchmark was published on the Relevant Screen Page, administrator's website or other applicable website, source or service (or successor source or service) identified in the definition of the Applicable RFR set forth in Additional Note Condition 3(a) or determined in accordance with any applicable General Benchmark Conforming Changes.

"**General Benchmark Replacement Adjustment**" means, with respect to a General Benchmark Replacement, the first alternative set forth in the order below that can be determined by the Issuer or its designee (after consulting with the Issuer) as of the General Benchmark Replacement Date:

(A) the spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the General Relevant Governmental Body, or determined by the Issuer or its designee (after consulting with the Issuer) in accordance with the method for calculating or determining such spread adjustment that has been selected or recommended by the General Relevant Governmental Body, in each case for the applicable Unadjusted General Benchmark Replacement;

(B) solely if TORF is the then-current General Benchmark, spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the administrator of TORF or determined by the Issuer or its designee (after consulting with the Issuer) in accordance with the method for calculating or determining such spread adjustment that has been selected or recommended by the administrator of TORF, in each case for the applicable Unadjusted General Benchmark Replacement; and

(C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee (after consulting with the Issuer) giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current General Benchmark with the applicable Unadjusted General Benchmark Replacement for floating-rate notes denominated in the Specified Currency (or, if different, the currency of the transactions that the then-current General Benchmark is designed to measure) at such time.

"**General Benchmark Replacement Conforming Changes**" means, with respect to any General Benchmark Replacement, changes to (1) any date on which the Rate of Interest for any applicable Interest Period is determined, any Interest Determination Date, Calculation Days or other relevant dates on which the General Benchmark is to be determined, Specified Interest Payment Dates, other relevant dates, Business Day Conventions or Interest Periods, (2) the manner, timing and frequency of determining rates and amounts of interest that are payable on the applicable Series of Notes and the conventions relating to such determination and calculations with respect to interest, (3) the timing and frequency of making payments of interest, (4) rounding conventions, (5) tenors, and (6) any other terms or provisions of the applicable Series of Notes, in each case that the Issuer or its designee (after consulting with the Issuer) determines, from time to time, to be appropriate to reflect the determination and implementation of such General Benchmark Replacement giving due consideration to any industry-accepted market practice (or, if the Issuer or its designee, after consulting with the Issuer, determines that implementation of any portion of such market practice is not administratively feasible or determines that no market practice for use of the General Benchmark Replacement exists, in such other manner as the Issuer or its designee, after consulting with the Issuer, determines is appropriate).

"**General Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current General Benchmark:

(A) in the case of clause (A) or (B) of the definition of "General Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such General Benchmark permanently or indefinitely ceases to provide such General Benchmark;

(B) in the case of clause (C) of the definition of "General Benchmark Transition Event," if such public statement or publication of information referenced therein indicates that the administrator or regulatory supervisor for the administrator has determined that such General Benchmark is no longer representative: (a) at such time, the date of such public statement or publication of information referenced therein; or (b) as of a specified future date, the first date on which such General Benchmark would ordinarily have been published or provided and is non-representative by reference to the most recent statement or publication referenced therein, even if such rate continues to be published or provided on such date; or

(C) in the case of clause (D) of the definition of "General Benchmark Transition Event," the date of such determination referenced therein.

For the avoidance of doubt, if the event giving rise to the General Benchmark Replacement Date occurs on the same day as, but earlier than, the General Benchmark Reference Time in respect of any determination, the General Benchmark Replacement Date will be deemed to have occurred prior to the General Benchmark Reference Time for such determination.

"**General Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current General Benchmark:

(A) a public statement or publication of information by or on behalf of the administrator of such General Benchmark announcing that such administrator has ceased or will cease to provide such General Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such General Benchmark;

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

(C) a public statement or publication of information by the regulatory supervisor for the administrator of such General Benchmark announcing that the regulatory supervisor has determined that such General Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such General Benchmark is intended to measure and that representativeness will not be restored, or such General Benchmark is otherwise not appropriate for use as a reference rate for floating-rate notes denominated in the Specified Currency (or, if different, the currency of the transactions that the then-current General Benchmark is designed to measure) at such time; or

(D) unless the applicable Final Terms specifies that "General Permanent or Indefinite Discontinuance Trigger" is not applicable, a determination by the Issuer or its designee (after consulting with the Issuer) that such General Benchmark for the Specified Maturity (if applicable) has been permanently or indefinitely discontinued;

"**General Benchmark Reference Time**" with respect to any determination of a General Benchmark means the Relevant Time with respect to such General Benchmark on the relevant date of determination; provided that if a General Benchmark Transition Event and related General Benchmark Replacement Date have occurred with respect to the then-current General Benchmark and Issuer or its designee (after consulting with the Issuer) has selected a General Benchmark Replacement, "General Benchmark Reference Time" will mean with respect to such General Benchmark Replacement the time determined by the Issuer or its designee (after consulting with the Issuer) in accordance with the General Benchmark Replacement Conforming Changes.

"**General Interpolated Benchmark**" with respect to a General Benchmark means the rate determined for the General Corresponding Tenor by interpolating on a linear basis between: (A) the General Benchmark for the longest period (for which the General Benchmark is available) that is shorter than the General Corresponding Tenor and (B) the General Benchmark for the shortest period (for which the General Benchmark is available) that is longer than the General Corresponding Tenor. "General Benchmark" as used in this definition means the then-applicable General Benchmark for the applicable periods specified in the foregoing sentence without giving effect to the applicable tenor (if any).

"**General Relevant Governmental Body**" means, with respect to any General Benchmark, the central bank, monetary authority, relevant regulatory supervisor or any similar institution with supervisory authority over the then-current General Benchmark or Specified Currency for such Series of Notes (including any committee or working group thereof sponsored, convened or endorsed by such central bank, monetary authority or relevant regulatory supervisor or similar institution).

"**Unadjusted General Benchmark Replacement**" means the General Benchmark Replacement excluding the General Benchmark Replacement Adjustment.

(b) *Benchmark Replacement – Constant Maturity Swap*

If the applicable Final Terms for a Series of Notes specifies that the Reference Rate is the EUR EURIBOR ICE Swap Rate®, the GBP SONIA ICE Swap Rate®, the U.S. Dollar SOFR ICE Swap Rate®, TONA TSR, the KRW CMS Rate, a Constant Maturity Swap Rate, or that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be determined by reference to one or more of such rates, this Additional Note Condition 4(b) shall apply to such Series of Notes.

(i) *Occurrence and Effect of a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date*

Notwithstanding any other provisions in the applicable Conditions, if the Issuer or its designee (after consulting with the Issuer) determines that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the then-current Constant Maturity Swap Benchmark for a Series of Notes prior to the applicable Constant Maturity Swap Reference Time in respect of any determination of such then-current Constant Maturity Swap Benchmark required to be made under the Conditions, then the provisions set forth in this Additional Note Condition 4(b) will apply to all determinations of the Rate of Interest payable on and/or any other

determination of the Constant Maturity Swap Benchmark that is required to be made with respect to such Notes.

In accordance with this Additional Note Condition 4(b), if the Issuer or its designee (after consulting with the Issuer) has determined that a Constant Maturity Swap Transition Event and its related Constant Maturity Swap Replacement Date have occurred, and the Issuer or its designee has selected a Constant Maturity Swap Replacement as provided in this Additional Note Condition 4(b), such Constant Maturity Swap Replacement will replace the then-current Constant Maturity Swap Benchmark for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

(ii) *Effect of a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date.*

(A) Constant Maturity Swap Replacement.

If the Issuer or its designee (after consulting with the Issuer) determines that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the then-current Constant Maturity Swap Benchmark prior to the applicable Constant Maturity Swap Reference Time in respect of any determination of the then-current Constant Maturity Swap Benchmark required to be made under the Conditions, the applicable Constant Maturity Swap Replacement will replace the then-current Constant Maturity Swap Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations required to be made under the Conditions on all subsequent dates unless and until another Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the applicable Constant Maturity Swap Replacement. In the event that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date are determined to have occurred with respect to an applicable Constant Maturity Swap Benchmark as set forth in the preceding sentence, and the Issuer or its designee (after consulting with the Issuer) has selected a Constant Maturity Swap Replacement as provided in this Additional Note Condition 4(b), this Additional Note Condition 4(b) will apply to any such Constant Maturity Swap Replacement and references in such provisions to the applicable Constant Maturity Swap Benchmark will mean such Constant Maturity Swap Replacement.

(B) Constant Maturity Swap Replacement Conforming Changes.

In connection with the implementation of a Constant Maturity Swap Replacement, the Issuer or its designee (after consulting with the Issuer) will have the right to make Constant Maturity Swap Replacement Conforming Changes from time to time.

(C) No Constant Maturity Swap Replacement.

In the event that a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date are determined to have occurred in connection with the determination of an applicable Constant Maturity Swap Benchmark as set forth in the Additional Notes Condition 4(b)(ii)(A), if the Issuer or its designee (after consulting with the Issuer) determines that there is no Constant Maturity Swap Replacement as of any relevant date of determination of such Constant Maturity Swap Benchmark, then the Issuer or its designee (after consulting with the Issuer) will determine a substitute rate or substitute rate value to be used

in place of the applicable Constant Maturity Swap Benchmark for that date of determination after consulting such sources as the Issuer or its designee (after consulting with the Issuer) deems comparable to the sources (if any) on which such rate customarily was published by the administrator or provider, as applicable, of such Constant Maturity Swap Benchmark or authorised distributors prior to the applicable Constant Maturity Swap Transition Event and Constant Maturity Swap Replacement Date or to the sources from which the administrator or provider, as applicable, of such rate obtains the swap rate input data used by the administrator or provider, as applicable to calculate or publish such rate or information, or any other source or data the Issuer or its designee (after consulting with the Issuer) determines to be reasonable (including, if applicable, the applicable Constant Maturity Swap Benchmark that was most recently published by the administrator or provider of such rate (or calculated by the Calculation Agent based on the published bid and ask prices underlying such rate)) for the purpose of determining such substitute rate or substitute rate value.

(iii) *Certain Definitions*

For purposes of this Additional Note Condition 4(b):

"**Constant Maturity Swap Benchmark**" with respect to a Series of Notes means, initially, (i) the Constant Maturity Swap Rate for the Specified Currency specified in the applicable Final Terms (ii) the EUR EURIBOR ICE Swap Rate®, (iii) the GBP SONIA ICE Swap Rate®, (iv) the U.S. Dollar SOFR ICE Swap Rate® or (v) TONA TSR, as specified to be the Reference Rate with respect to, or to be used in any other determination that is required to be made with respect to, such Series of Notes in the applicable Final Terms, in each case for the Specified Maturity, provided that if a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to such rate, or the then-current Constant Maturity Swap Benchmark, as applicable, then the "Constant Maturity Swap Benchmark" means the applicable Constant Maturity Swap Replacement.

"**Constant Maturity Swap Replacement**" means the sum of (a) the alternate rate of interest that has been selected by the Issuer or its designee (after consulting with the Issuer) as an industry-accepted replacement for the current Constant Maturity Swap Benchmark for floating-rate notes denominated in the Specified Currency (or, if different, the currency of the transactions that the then-current Constant Maturity Swap Benchmark is designed to measure) for the applicable Series of Notes at such time and (b) the Constant Maturity Swap Replacement Adjustment (if any).

"**Constant Maturity Swap Replacement Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee (after consulting with the Issuer) giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Constant Maturity Swap Benchmark with the applicable Unadjusted Constant Maturity Swap Replacement for floating-rate notes denominated in the Specified Currency (or, if different, the currency of the transactions that the then-current Constant Maturity Swap Benchmark is designed to measure) for the applicable Series of Notes at such time.

"**Constant Maturity Swap Replacement Conforming Changes**" means, with respect to any Constant Maturity Swap Replacement, changes to (1) any date on which the Rate of Interest for any applicable Interest Period is determined, any Interest Determination Dates, Calculation Days or other relevant dates on which a Constant Maturity Swap Benchmark is to be determined, Specified Interest Payment Dates, other relevant dates, Business Day Convention or Interest Periods, (2) the manner, timing and frequency of determining rates and amounts

of interest that are payable on the applicable Series of Notes and the conventions relating to such determination and calculations with respect to interest, (3) the timing and frequency of making payments of interest, (4) rounding conventions, (5) tenors, and (6) any other terms or provisions of the applicable Series of Notes, in each case that the Issuer or its designee (after consulting with the Issuer) determines, from time to time, to be appropriate to reflect the determination and implementation of such Constant Maturity Swap Replacement giving due consideration to any industry-accepted market practice (or, if the Issuer or its designee (after consulting with the Issuer) determines that implementation of any portion of such market practice is not administratively feasible or determines that no market practice for use of the Constant Maturity Swap Replacement exists, in such other manner as the Issuer or its designee (after consulting with the Issuer) determines is appropriate).

"**Constant Maturity Swap Replacement Date**" means the earliest to occur of the following events with respect to the current Constant Maturity Swap Benchmark:

(A) in the case of clause (A) or (B) of the definition of "Constant Maturity Swap Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Constant Maturity Swap Benchmark permanently or indefinitely ceases to provide such Constant Maturity Swap Benchmark;

(B) in the case of clause (C) of the definition of "Constant Maturity Swap Transition Event," if such statement or publication referenced therein indicates that the administrator or regulatory supervisor for the administrator has determined that such rate is no longer representative: (a) at the date of such statement or publication referenced therein, the date of such statement or publication; or (b) as of a specified future date, the first date on which such rate would ordinarily have been published or provided and is non-representative by reference to the most recent statement or publication referenced therein, even if such rate continues to be published or provided on such date; or

(C) in the case of clause (D) or (E) of the definition of "Constant Maturity Swap Transition Event," the date of such determination referenced therein.

For the avoidance of doubt, if the event giving rise to the Constant Maturity Swap Replacement Date occurs on the same day as, but earlier than, the Constant Maturity Swap Reference Time in respect of any determination, the Constant Maturity Swap Replacement Date will be deemed to have occurred prior to the Constant Maturity Swap Reference Time for such determination.

"**Constant Maturity Swap Reference Time**" with respect to any determination of a Constant Maturity Swap Benchmark means the Relevant Time with respect to such Constant Maturity Swap Benchmark on the relevant date of determination; provided that if a Constant Maturity Swap Transition Event and related Constant Maturity Swap Replacement Date have occurred with respect to the then-current Constant Maturity Swap Benchmark and Issuer or its designee (after consulting with the Issuer) has selected a Constant Maturity Swap Benchmark Replacement, "Constant Maturity Swap Reference Time" will mean with respect to such Constant Maturity Swap Replacement, the time determined by the Issuer or its designee (after consulting with the Issuer) in accordance with the Constant Maturity Swap Replacement Conforming Changes.

"**Constant Maturity Swap Transition Event**" means the occurrence of one or more of the following events with respect to the current Constant Maturity Swap Benchmark:

(A) a public statement or publication of information by or on behalf of the administrator of such Constant Maturity Swap Benchmark announcing that such administrator has ceased or will cease to provide such Constant Maturity Swap Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Constant Maturity Swap Benchmark;

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

(C) a public statement or publication of information by the administrator of such Constant Maturity Swap Benchmark or the regulatory supervisor for the administrator of such Constant Maturity Swap Benchmark announcing that such Constant Maturity Swap Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Constant Maturity Swap Benchmark is intended to measure, and that representativeness will not be restored;

(D) a determination by the Issuer or its designee (after consulting with the Issuer) that such Constant Maturity Swap Benchmark (or the bid and ask rates from which such Constant Maturity Swap Benchmark is calculated)) has been permanently or indefinitely discontinued; or

(E) a determination by the Issuer or its designee (after consulting with the Issuer) that (i) such Constant Maturity Swap Benchmark (or the bid and ask rates from which such rate is calculated) as published is no longer an industry-accepted rate of interest for floating-rate notes denominated in the Specified Currency at such time or (ii) such Constant Maturity Swap Benchmark (or the bid and ask rates from which such rate is calculated) as published is no longer an industry-accepted rate of interest in the derivatives market for hedging transactions related to floating rate notes denominated in the Specified Currency.

For the purpose of this clause, "**Specified Currency**" means the Specified Currency for the applicable Series of Notes or if different, the currency of the transactions that the then-current Constant Maturity Swap Benchmark is designated to measure.

"**Unadjusted Constant Maturity Swap Replacement**" means the Constant Maturity Swap Replacement excluding the Constant Maturity Swap Replacement Adjustment (if any).

(c) *Benchmark Replacement – SOFR*

If the applicable Final Terms specifies that the Reference Rate is Compounded Daily SOFR, or that the principal, interest and/or any other amount payable or any determination required to be made with respect to the applicable Series of Notes is to be

determined by reference to SOFR, this Additional Note Condition 4(c) shall apply to such Series of Notes (together the "**SOFR Notes**").

(i) *Occurrence of a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date.*

Notwithstanding any other provisions in the applicable Conditions, if the Issuer or its designee (after consulting with the Issuer) determines that a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark with respect to a Series of Notes prior to the applicable SOFR Benchmark Reference Time in respect of any determination of the then-current SOFR Benchmark required to be made under the Conditions, then the provisions set forth in this Additional Note Condition 4(c) will apply to all determinations of the Rate of Interest payable on such Notes.

In accordance with this Additional Note Condition 4(c), if the Issuer or its designee (after consulting with the Issuer) has determined that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred:

(A) if the applicable Final Terms specify "Floating Rate Notes" to be applicable, any Rate of Interest on such Series of Notes (and the applicable Reference Rate) in respect of the Interest Period relating to the above-mentioned SOFR Benchmark Reference Time and all subsequent Interest Periods will be determined (x) by reference to the relevant SOFR Benchmark Replacement multiplied by the Participation Rate specified in the applicable Final Terms, if any, plus or minus (as indicated in the applicable Final Terms) the Margin, if any, or (y) as otherwise specified in the applicable Final Terms; or

(B) if the applicable Final Terms otherwise specify that the principal, interest and/or any other amount payable with respect to the applicable Series of Notes is to be determined by reference to the then-current SOFR Benchmark, the SOFR Benchmark Replacement will replace the then-current SOFR Benchmark for all purposes relating to the applicable Series of Notes in respect of such determination on the applicable date and all determinations on all subsequent dates.

(ii) *Effect of a SOFR Benchmark Transition Event and Related SOFR Benchmark Replacement Date.*

(A) SOFR Benchmark Replacement.

If the Issuer or its designee (after consulting with the Issuer) determines that a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark prior to the applicable SOFR Benchmark Reference Time in respect of any determination of the then-current SOFR Benchmark required to be made under the Conditions, the applicable SOFR Benchmark Replacement will replace the then-current SOFR Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations required to be made under the Conditions on all subsequent dates.

(B) SOFR Benchmark Replacement Conforming Changes.

In connection with the implementation of a SOFR Benchmark Replacement, the Issuer or its designee (after consulting with the Issuer) will have the right to make SOFR Benchmark Replacement Conforming Changes from time to time.

(iii) *Certain Definitions*.

For purposes of this Additional Note Condition 4(c):

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the SOFR Benchmark for the applicable tenor.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the SOFR Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**Relevant ISDA Definitions**" means the 2021 ISDA Interest Rate Derivatives Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"**SOFR Benchmark**" means, initially, SOFR; provided that if a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date have occurred with respect to SOFR or the then-current SOFR Benchmark, then "SOFR Benchmark" means the applicable SOFR Benchmark Replacement.

"**SOFR Benchmark Replacement**" means, the first alternative set forth in the order below that can be determined by the Issuer or its designee (after consulting with the Issuer) as of the SOFR Benchmark Replacement Date:

(A) the sum of: (a) the alternate rate of interest that has been selected or recommended by the SOFR Benchmark Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the applicable SOFR Corresponding Tenor (if any) and (b) the SOFR Benchmark Replacement Adjustment;

(B) the sum of: (a) the ISDA Fallback Rate and (b) the SOFR Benchmark Replacement Adjustment; and

(C) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee (after consulting with the Issuer) as the replacement for the then-current SOFR Benchmark for the applicable SOFR Corresponding Tenor (if any) giving due consideration to any industry-accepted rate of interest as a replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating-rate notes at such time and (b) the SOFR Benchmark Replacement Adjustment.

"**SOFR Benchmark Replacement Adjustment**" means with respect to a SOFR Benchmark Replacement, the first alternative set forth in the order below that can be determined by the Issuer or its designee (after consulting with the Issuer) as of the applicable SOFR Benchmark Replacement Date:

(A) the spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the SOFR Benchmark Relevant Governmental Body or determined by the Issuer or its designee (after consulting with the Issuer) in accordance with the method for calculating or determining such spread adjustment that has been selected or recommended by the SOFR Benchmark Relevant Governmental Body, in each case for the applicable Unadjusted SOFR Benchmark Replacement;

(B) if the applicable Unadjusted SOFR Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; or

(C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee (after consulting with the Issuer) giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Benchmark with the applicable Unadjusted SOFR Benchmark Replacement for U.S. dollar denominated floating-rate notes at such time.

"**SOFR Benchmark Replacement Conforming Changes**" means, with respect to any SOFR Benchmark Replacement, changes to (1) any Interest Determination Date, Interest Payment Date, other relevant date, Business Day Convention or Interest Period, (2) the manner, timing and frequency of determining the rates and amounts of interest that are payable on the applicable Series of Notes and the conventions relating to such determination and calculations with respect to interest, (3) the timing and frequency of making payments of interest, (4) rounding conventions, (5) tenors and (6) any other terms or provisions of the relevant Series of Notes, in each case that the Issuer or its designee (after consulting with the Issuer) determines, from time to time, to be appropriate to reflect the implementation of such SOFR Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer, its designee or the Calculation Agent decides that implementation of any portion of such market practice is not administratively feasible or determines that no market practice for use of the SOFR Benchmark Replacement exists, in such other manner as the Issuer or its designee (after consulting with the Issuer) determines is appropriate).

"**SOFR Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current SOFR Benchmark:

(A) in the case of clause (A) or (B) of the definition of "SOFR Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such SOFR Benchmark permanently or indefinitely ceases to provide such SOFR Benchmark; or

(B) in the case of clause (C) of the definition of "SOFR Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the SOFR Benchmark Replacement Date occurs on the same day as, but earlier than, the SOFR Benchmark Reference Time in respect of any determination, the SOFR Benchmark Replacement Date will be deemed to have occurred prior to the SOFR Benchmark Reference Time for such determination.

"**SOFR Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current SOFR Benchmark:

(A) a public statement or publication of information by or on behalf of the administrator of such SOFR Benchmark announcing that such administrator has ceased or will cease to provide such SOFR Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such SOFR Benchmark;

(B) a public statement or publication of information by the regulatory supervisor for the administrator of such SOFR Benchmark, the central bank for the currency of such SOFR Benchmark, an insolvency official with jurisdiction over the administrator for such SOFR Benchmark, a resolution authority with jurisdiction over the administrator for such SOFR Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such SOFR Benchmark, which states

that the administrator of such SOFR Benchmark has ceased or will cease to provide such SOFR Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such SOFR Benchmark; or

(C) a public statement or publication of information by the regulatory supervisor for the administrator of such SOFR Benchmark announcing that such SOFR Benchmark is no longer representative.

"**SOFR Corresponding Tenor**" with respect to a SOFR Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding Business Day adjustment) as the applicable tenor for the then-current SOFR Benchmark.

"**SOFR Benchmark Reference Time**" with respect to any determination of the SOFR Benchmark means (A) if the SOFR Benchmark is SOFR, 3:00 p.m. (New York City time) on the date of such determination, and (B) if the SOFR Benchmark is not SOFR, the time determined by the Issuer or its designee (after consulting with the Issuer) in accordance with the SOFR Benchmark Replacement Conforming Changes.

"**SOFR Benchmark Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**Unadjusted SOFR Benchmark Replacement**" means the applicable SOFR Benchmark Replacement excluding the applicable SOFR Benchmark Replacement Adjustment.

5. **Calculation Agent; Decisions and Determinations**

If the applicable Final Terms specify that Floating Rate Note Provisions are applicable, this Additional Note Condition 5 shall apply to the applicable Series of Notes.

Calculations relating to a Series of Notes, including calculations with respect to Reference Rates, Rates of Interest, accrued interest, principal and any premium, and any other amounts payable applicable to such Series of Notes, as the case may be, will be made by the Calculation Agent. Any determination, decision or election that may be made by the Issuer or, in the case of a determination, the Calculation Agent or, in all cases, any financial institution or investment bank appointed by the Issuer, or any other entity designated by the Issuer (which may be one of the Issuer's affiliates) pursuant to the Additional Note Conditions set forth in this Annex 17 (including, but not limited to, the benchmark transition provisions set forth in the definitions of "BBSW" and in Additional Note Condition 4) and any decision to take or refrain from taking any action or any selection:

- will be conclusive and binding absent manifest error;
- will be made in the sole discretion of the Calculation Agent, the Issuer, any financial institution or investment bank appointed by the Issuer or the Issuer's other designee, as applicable, except if made by the Calculation Agent, any financial institution or investment bank appointed by the Issuer or the Issuer's other designee, as applicable, in connection with the benchmark transition provisions set forth in the definitions of "BBSW" and in Additional Note Condition 4;
- if made by the Calculation Agent, any financial institution or investment bank appointed by the Issuer or the Issuer's other designee in connection with the benchmark transition provisions, will be made after consulting with the Issuer, and any financial institution or investment bank appointed by the Issuer or the Issuer's other designee will not make any such determination, decision or election to which the Issuer objects; and

- notwithstanding anything to the contrary in the Conditions, shall become effective without the consent of the holders of the relevant Series of Notes or any other party.

If, with respect to any Series of Notes, the Issuer does not agree with any determination made by the Calculation Agent regarding administrative feasibility, as described in this Annex 17, in connection with the benchmark transition provisions set forth in the definitions of "BBSW" and in Additional Note Condition 4, then the Issuer may, in its sole discretion, remove the Calculation Agent and appoint a successor Calculation Agent.

Any determination, decision or election pursuant to the Additional Note Conditions set forth in this Annex 17 (including, but not limited to, the benchmark transition provisions set forth in the definitions of "BBSW" and "Constant Maturity Swap" and in Additional Note Condition 4, and any decision to take or refrain from taking any action or any selection not made by any financial institution or investment bank appointed by the Issuer or the Issuer's other designee will be made by the Issuer on the basis as described above. The Calculation Agent shall have no liability for not making any such determination, decision or election in connection with such provisions. The Issuer may designate an entity (which entity may be a calculation agent and/or the Issuer's affiliate) to make any determination, decision or election that the Issuer has the right to make in connection with the benchmark transition provisions set forth in the definitions of "BBSW" and "Constant Maturity Swap" and in Additional Note Condition 4.

ANNEX 18

SWISS PRODUCT DESCRIPTION

The following product descriptions apply solely to Instruments that are publicly offered in Switzerland and do not fall within an exemption from the prospectus requirements under the ("**Swiss Non-Exempt Public Offers**"), and do not apply to Instruments offered in any jurisdiction other than Switzerland.

1. General Information about the Instruments

The below listed product categories and products features are based on the categories and additional product features used in the "SSPA Swiss Derivatives Map 2022" issued by the Swiss Structured Products Association ("**SSPA**") (see https://www.sspa.ch/en). The product categories and products features are not universal and, in different markets and jurisdictions, different products categories and product features may be used for the same product.

Each Instrument issued under this Offering Circular will be linked to one or more underlying assets, which may be a share or a depositary receipt, an equity index, a commodity, a commodity index, a foreign exchange rate, a fund (regulated or unregulated, mutual, exchange traded tracker or hedge), the credit of a specified entity or entities, a consumer price or other inflation index, an interest rate, or constant maturity swap rate or any other rate, a loan or bond or other debt obligation or certificate, a basket of the above or any combination of any of the above or other types of reference asset(s) (each an "**Underlying Asset**" and together, the "**Underlying Assets**"). The performance of the Instruments will depend to some degree on the performance of such Underlying Asset.

Instruments issued under this Offering Circular may have characteristics which partially or significantly deviate from those of the main product categories described in the following. For additional information and a more detailed explanation of the products, including calculation examples, investors should consult the website of SSPA at www.sspa.ch/en (or any successor or replacement address thereto). Investors further should be aware that the SSPA categorisation model may be changed from time to time by the SSPA without further notice. None of the Issuers have any obligation to update or supplement this Offering Circular in case of such a change in the SSPA categorisation model.

2. Product Categories

The main categories of Instruments that may be issued under this Offering Circular are described in the following. The Issuers are free to modify the Instruments issued under this Offering Circular by adding additional product features. Additional information on the Instruments, including a description of the particular Instruments will be included in the relevant Final Terms.

Capital Protection Products (SSPA Category 11)

- Capital Protection Note with Participation (SSPA Category 1100)
- Capital Protection Note with Barrier (SSPA Category 1130)
- Capital Protection Note with Twin-Win (SSPA Category 1135)
- Capital Protection Note with Coupon (SSPA Category 1140)

Yield Enhancement Products (SSPA Category 12)

- Discount Certificate (SSPA Category 1200)
- Barrier Discount Certificate (SSPA Category 1210)
- Reverse Convertible (SSPA Category 1220)
- Barrier Reverse Convertible (SSPA Category 1230)
- Conditional Coupon Reverse Convertible (SSPA Category 1255)

- Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Participation Products (SSPA Category 13)

- Tracker Certificate (SSPA Category 1300)
- Outperformance Certificate (SSPA Category 1310)
- Bonus Certificate (SSPA Category 1320)
- Bonus Outperformance Certificate (SSPA Category 1330)
- Twin-Win Certificate (SSPA Category 1340)

Investment Products with Additional Credit Risk ((SSPA Category 14)

- Credit Linked Notes (SSPA Category 1400)
- Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)
- Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)
- Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Leverage Products (SSPA Category 20)

- Warrant (SSPA Category 2100)
- Spread Warrant (SSPA Category 2110)
- Warrant with Knock-Out (SSPA Category 2200)
- Mini-Future (SSPA Category 2210)
- Constant Leverage Certificate (SSPA Category 2300)

For a more detailed explanation of the products, including calculation examples, investors should contact their relationship manager and/or professional advisor.

3. **Description of Product Features**

Instruments issued under this Offering Circular may provide for one or more of the following product features.

Asian Option	Uses the average price of the Underlying Asset over a number of predefined periods (monthly, quarterly, annually) rather the price at a specific time.
Autocallable	If, on an observation day, the price of the Underlying Asset is either on or above (bull) or on or below (bear) a previously defined barrier ("**autocall trigger**"), the product is redeemed prior to maturity.
Bearish; with a bear feature	The Instrument benefits from falling prices of the Underlying Asset
Best-of	The return of the Instrument depends on the performance of the best performing Underlying Asset.
Bullish; with a bull feature	The Instrument benefits from rising prices of the Underlying Asset.

Callable	The Issuer has the right to cancel early, however, there is no obligation to do so.
Capped participation	The Instrument has a maximum yield.
Conditional coupon	A scenario exists where the coupon is not repaid (coupon at risk) or an unpaid coupon can be recouped at a later date (memory coupon).
European barrier	Only the last day closing price is relevant for monitoring the barrier.
Floor	Represents the minimum amount which is redeemed at a product's expiry, independent of the performance of the Underlying Asset.
Inverse	The Instrument performs in inverse proportion to the Underlying Asset.
Lock-in	If the lock-in level is reached, the minimum repayment is a preassigned amount regardless of the future development of the Underlying Asset price.
Look-back	Barrier and/or strike are set with a time delay (lookback phase).
Open-end	The Instruments do not have a predetermined fixed maturity.
Partial Capital Protection	Capital protection is between 90% and 100% of the nominal value.
Participation	This indicates to what proportion the investor profits from the price performance of the Underlying Asset. This can be 1:1, over or under-proportional.
Puttable	The investor has the right to return the Instrument to the Issuer on certain days during the term.
Variable Coupon	The coupon amount can vary depending on a predefined scenario.
Worst-of	The return of the Instrument depends on the performance of the worst performing Underlying Asset.

The above list of product features is not exhaustive and a particular Instrument may have other product features.

4. Mechanisms of Product Types

4.1 Capital Protection Products (SSPA Category 11)

"Capital Protection Products" are primarily targeted at investors that (i) expect the value of the Underlying Asset to increase (or, in the case of "Capital Protection Products" with a bear feature, to decrease) but (ii) cannot exclude a sharp decrease (or, in the case of "Capital Protection Products" with a bear feature, a sharp increase) of the value of the Underlying Asset throughout the term of such "Capital Protection Products".

"Capital Protection Products" provide for a specific minimum redemption amount. The level of the minimum redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the "Capital Protection Product" that the investor will be entitled to at the settlement date. The Issuer sets it at the time of the issuance and it applies only at the end of the term or at maturity. The Issuer may set the level of the minimum redemption amount representing the level of capital protection below 100% of the nominal or

par value of the "Capital Protection Products" (partial capital protection). Capital protection therefore does not mean that the investor is entitled to a redemption amount equal to the full nominal or par value of the "Capital Protection Products". The potential loss is limited by the minimum redemption amount, subject to the credit risk of the Issuer.

The product category "Capital Protection Products" includes in particular the following product types:

(a) Capital Protection Notes with Participation (SSPA Category 1100)

"Capital Protection Notes with Participation" are primarily targeted at investors that (i) expect the value of the Underlying Asset and its volatility to increase (or, in the case of "Capital Protection Notes with Participation" with a bear feature, the value of the Underlying Asset to decrease) but (ii) consider a sharp decrease of the value of the Underlying Asset to be possible (or, in the case of "Capital Protection Notes with Participation" with a bear feature, a sharp increase of the value of the Underlying Asset).

"Capital Protection Notes with Participation" allow investors to participate in the performance of the Underlying Asset. If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset has increased or, in case of "Capital Protection Notes with Participation" with a bear feature, decreased), the return will exceed the minimum redemption amount of the "Capital Protection Notes with Participation".

(b) Capital Protection Notes with Barrier (SSPA Category 1130)

"Capital Protection Notes with Barrier" are primarily targeted at investors that (i) expect the value of the Underlying Asset to increase (or, in the case of "Capital Protection Notes with Barrier" with a bear feature the value of the Underlying Asset to decrease) but (ii) consider a sharp decrease of the value of the Underlying Asset to be possible (or, in the case of "Capital Protection Notes with Barrier" with a bear feature, a sharp increase of the value of the Underlying Asset) and (iii) expect that the value of the Underlying Asset will not increase above (or, in case of "Capital Protection Notes with Barrier" with a bear feature, fall below) the specified barrier throughout the term of such "Capital Protection Notes with Barrier".

"Capital Protection Notes with Barrier" allow investors to participate in the performance of the Underlying Asset up (or, in case of "Barrier Capital Protection Certificates" with a bear feature, down) to such barrier. If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset has increased or, in case of "Barrier Capital Protection Certificates" with a bear feature, decreased), the return will exceed the minimum redemption amount of the "Barrier Capital Protection Certificates" but is limited by the level of the specified barrier. In case of a breach of such barrier, the redemption amount will be reduced but be at least equal to the minimum redemption amount.

(c) Capital Protection Notes with Twin-Win (SSPA Category 1135)

"Capital Protection Notes with Twin-Win" are primarily targeted at investors that (i) expect the value of the Underlying Asset to slightly increase or fall but (ii) consider a sharp decrease of the value of the Underlying Asset to be possible and (iii) expect that the value of the Underlying Asset will not increase above a specified upper barrier and not fall below a specified lower barrier throughout the term of such "Capital Protection Notes with Twin-Win".

"Capital Protection Notes with Twin-Win" allow investors to participate in the absolute performance (positive as well as negative performance) of the Underlying Asset within the upper and lower barrier. If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset has increased or decreased but not breached either of the barriers), the return will exceed the minimum redemption amount of the "Capital Protection Notes with Twin-Win" but is limited by the level of the upper and lower barrier, respectively. In case of a breach of a barrier, the redemption amount will be reduced but be at least be equal to the minimum redemption amount.

(d) Capital Protection Notes with Coupon (SSPA Category 1140)

"Capital Protection Notes with Coupon" are primarily targeted at investors that (i) expect the value of the Underlying Asset to increase (or, in the case of "Capital Protection Notes with Coupon" with a bear feature, the value of the Underlying Asset to decrease) but (ii) consider a sharp decrease of the value of the Underlying Asset to be possible (or, in the case of "Capital Protection Notes with Coupon" with a bear feature, a sharp increase of the value of the Underlying Asset).

"Capital Protection Notes with Coupon" allow investors to participate in the performance of the Underlying Asset by receiving a periodic coupon payment. The amount of the coupon payment may be fixed or may be variable and depend on the value of the Underlying Asset at a specific date prior to each coupon payment date (variable coupon). In case of a variable coupon, the amount of the coupon payment increases (or, in case of "Capital Protection Notes with Coupon" with a bear feature, decreases) if the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset has increased or, in case of "Capital Protection Notes with Coupon" with a bear feature, decreased). In case of "Capital Protection Notes with Coupon" with a fixed coupon, the payment of the coupon may depend on the value of the Underlying Asset not breaching a specified barrier (coupon at risk). If such barrier is breached, the investor will not be entitled to a coupon payment on the relevant coupon payment date.

4.2 **Yield Enhancement Products (SSPA Category 12)**

"Yield Enhancement Products" are primarily targeted at investors that expect (i) the value of the Underlying Asset to remain constant or to slightly increase (or, in the case of "Yield Enhancement Products" with a bear feature, to slightly decrease) and (ii) volatility of the Underlying Asset to decrease, in each case, throughout the term of the "Yield Enhancement Products".

"Yield Enhancement Products" provide for a redemption amount that is limited to a maximum amount (cap) and may provide for (fixed or variable) periodic coupon payments during the term.

"Yield Enhancement Products" may be linked to several Underlying Assets and may therefore offer a larger discount or coupon than "Yield Enhancement Products" linked to just one Underlying Asset.

The product category "Yield Enhancement Products" includes in particular the following

product types:

(a) Discount Certificates (SSPA Category 1200)

"Discount Certificates" are primarily targeted at investors that expect the value of the Underlying Asset to move sideways or to slightly increase (or, in the case of "Discount Certificates" with a bear feature to move sideways or to slightly decrease), with falling volatility.

"Discount Certificates" are issued at a discount, i.e. a discount compared to a direct investment in the Underlying Asset. The redemption amount depends on the value of the Underlying Asset at redemption. If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset at redemption is above or, in case of "Discount Certificates" with a bear feature, below) the specified strike price (typically the initial value of the Underlying Asset), the redemption amount will be equal to such strike price.

(b) Barrier Discount Certificates (SSPA Category 1210)

"Barrier Discount Certificates" are primarily targeted at investors that expect the value of the Underlying Asset (i) to remain constant or to slightly increase (or, in the case of "Barrier Discount Certificates" with a bear feature, to slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of "Barrier Discount Certificates" with a bear feature, rise above) the specified barrier throughout the term of the "Barrier Discount Certificates".

"Barrier Discount Certificates" are issued at a discount, i.e. a discount compared to a direct investment in the Underlying Asset and provide for a conditional minimum redemption amount (i.e., the redemption amount is at least equal to, generally, 100% of the nominal or par value of

the "Barrier Discount Certificates" if the specified barrier is not breached during the term of the "Barrier Discount Certificates").

If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset did not fall below or, in case of "Barrier Discount Certificates" with a bear feature, rise above) the specified barrier throughout the term of the "Barrier Discount Certificates" or, if the barrier is breached, the value of the Underlying Assets at redemption is at or above (or, in case of "Barrier Discount Certificates" with a bear feature, below) the specified strike price (typically the initial value of the Underlying Asset), the redemption amount will be equal to such strike price.

In contrast to "Discount Certificates" (SSPA Category 1200), the probability of receiving the maximum redemption amount under "Barrier Discount Certificates" is higher due to the conditional protection provided by the barrier, although the discount at which they are issued is generally smaller and therefore the return on an investment in "Barrier Discount Certificates" generally lower.

(c) Reverse Convertibles (SSPA Category 1220)

"Reverse Convertibles" are primarily targeted at investors that expect (i) the value of the Underlying Asset to move sideways or to slightly increase (or, in the case of "Reverse Convertibles" with a bear feature to move sideways or to slightly decrease) and (ii) falling volatility.

"Reverse Convertibles" allow investors to benefit from an enhanced return by receiving a periodic coupon payment. The redemption amount depends on the value of the Underlying Asset at the end of the term of the "Reverse Convertibles". If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset at redemption is above (or, in case of "Reverse Convertibles" with a bear feature, below) the specified strike price (typically the initial value of the Underlying Asset)), the redemption amount will be equal to such strike price.

(d) Barrier Reverse Convertibles (SSPA Category 1230)

"Barrier Reverse Convertibles" are primarily targeted at investors that expect the value of the Underlying Asset (i) to remain constant or to slightly increase (or, in the case of "Barrier Reverse Convertibles" with a bear feature, to slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of "Barrier Reverse Convertibles" with a bear feature, rise above) the specified barrier throughout the term of the "Barrier Reverse Convertibles".

"Barrier Reverse Convertibles" allow investors to benefit from an enhanced return by receiving a periodic coupon payment and provide for a conditional minimum redemption amount at the end of the term of the "Barrier Reverse Convertibles" (i.e., the redemption amount is at least equal to, generally, 100% of the nominal or par value of the "Barrier Reverse Convertibles" if the specified barrier is not breached during the term of the "Barrier Reverse Convertibles")

If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset did not fall below or, in case of "Barrier Reverse Convertibles" with a bear feature, rise above) the specified barrier throughout the term of the "Barrier Reverse Convertibles" or, if the barrier is breached, the value of the Underlying Assets at redemption is at or above (or, in case of "Barrier Reverse Convertibles" with a bear feature, below) the specified strike price (typically the initial value of the Underlying Asset)), the redemption amount will at least be equal to, generally, 100% of the nominal or par value of the "Barrier Reverse Convertibles".

In contrast to "Reverse Convertibles" (SSPA Category 1220), the probability of receiving the maximum redemption amount under "Barrier Reverse Convertibles" is higher due to the conditional protection provided by the barrier, although the periodic coupon payment and therefore the return on an investment in "Barrier Reverse Convertibles" is generally lower.

(e) Conditional Coupon Reverse Convertible (SSPA Category 1255)

"Conditional Coupon Reverse Convertible" are primarily targeted at investors that expect the value of the Underlying Asset to increase or to slightly increase (or, in the case of "Conditional Coupon Reverse Convertible" with a bear feature, to decrease or slightly decrease), with falling volatility.

"Conditional Coupon Reverse Convertible" typically provide for one or more coupon payments in respect of one or more observation dates on which the value of the Underlying Asset is observed. If the value of the Underlying Asset has increased (or in the case of "Conditional Coupon Reverse Convertible" with a bear feature, decreased) to a specified threshold, investors are entitled to a coupon payment in respect of such observation date.

If the value of the Underlying Asset has increased and it exceeds (or, in case of "Conditional Coupon Reverse Convertible" with a bear feature, has decreased and falls below) a specified threshold (autocall trigger), such "Conditional Coupon Reverse Convertible" are redeemed early on the relevant autocall trigger date and investors are entitled to an early redemption amount equal to, generally, 100% of the nominal or par value of the "Conditional Coupon Reverse Convertible" plus a coupon.

(f) Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

"Conditional Coupon Barrier Reverse Convertible" are primarily targeted at investors that expect (i) the value of the Underlying Asset to increase or to slightly increase (or, in the case of "Conditional Coupon Barrier Reverse Convertible" with a bear feature, to decrease or slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of "Conditional Coupon Barrier Reverse Convertible" with a bear feature, rise above) the specified barrier throughout the term of the "Conditional Coupon Barrier Reverse Convertible".

"Conditional Coupon Barrier Reverse Convertible" typically provide for one or more coupon payments in respect of one or more observation dates on which the value of the Underlying Asset is observed. If the value of the Underlying Asset has increased (or in the case of "Conditional Coupon Barrier Reverse Convertible" with a bear feature, decreased) to a specified threshold, investors are entitled to a coupon payment in respect of such observation date.

If the value of the Underlying Asset has increased and exceeds (or, in case of "Conditional Coupon Barrier Reverse Convertible" with a bear feature, has decreased and falls below) a specified threshold (autocall trigger), such "Conditional Coupon Barrier Reverse Convertible" are redeemed early on the relevant autocall trigger date and investors are entitled to an early redemption amount equal to, generally, 100% of the nominal or par value of the "Conditional Coupon Barrier Reverse Convertible" plus a coupon.

"Conditional Coupon Barrier Reverse Convertible" provide for a conditional minimum redemption amount at the end of the term of the "Conditional Coupon Barrier Reverse Convertible" (i.e., the redemption amount is at least equal to, generally, 100% of the nominal or par value of the "Conditional Coupon Barrier Reverse Convertible" if the specified barrier is not breached during the term).

If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset did not fall below (or, in case of "Conditional Coupon Barrier Reverse Convertible" with a bear feature, rise above) the specified barrier throughout the term of the "Conditional Coupon Barrier Reverse Convertible" or, if the barrier is breached, the value of the Underlying Assets at redemption is at or above (or, in case of "Conditional Coupon Barrier Reverse Convertible" with a bear feature, below) the specified strike price (typically the initial value of the Underlying Asset)), the redemption amount will at least be equal to, generally, 100% of the nominal or par value of the "Conditional Coupon Barrier Reverse Convertible".

4.3 Participation Products (SSPA Category 13)

"Participation Products" are primarily targeted at investors (i) that expect the value of the Underlying Asset to increase (or, in the case of "Participation Products" with a bear feature, to decrease), (ii) but are unwilling or unable to make an investment in the amount required for a

direct investment achieving the desired participation in the development of the value of the Underlying Asset.

"Participation Products" generally track the performance of the Underlying Asset and enable investors to participate in the performance of the Underlying Asset. Depending on the structure of the "Participation Product", investors participate proportionately or disproportionately in the performance of the Underlying Asset. The profit an investor may achieve by investing in a "Participation Product" is theoretically unlimited, but there is the risk of total loss.

"Participation Products" can provide for a minimum redemption amount. The level of the minimal redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the "Participation Products" that the investor will be entitled to at the settlement date, provided the barrier is not reached, if applicable. If the barrier is reached or exceeded (either above or below), investors lose the minimum redemption amount (limited capital protection). The redemption in the case of "Participation Products", depending on the structure or the Underlying Asset, may be made by payment of a cash settlement amount or the physical delivery of the relevant Underlying Asset, adjusted in accordance with the ratio.

The product category "Participation Products" includes in particular the following product types:

(a) Tracker Certificates (SSPA Category 1300)

"Tracker Certificates" are primarily targeted at investors that expect the value of the Underlying Asset to increase (or, in the case of "Tracker Certificates" with a bear feature, to decrease). "Tracker Certificates" allow an investor to participate in the performance of one or more Underlying Assets, which can be equally or unequally weighted. The profit and loss potential of the "Tracker Certificates" corresponds largely to that of the Underlying Assets and is not limited.

(b) Outperformance Certificates (SSPA Category 1310)

"Outperformance Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Asset to increase (or, in the case of "Outperformance Certificates" with a bear feature, to decrease) and (ii) the volatility to increase.

"Outperformance Certificates" allow investors to participate in the performance of the Underlying Assets.

If the defined strike price is reached, the participation of the investor is increased through a participation factor resulting in a disproportionate participation in the positive performance (or, in case of an "Outperformance Certificate" with a bear feature, in the negative performance) of the Underlying Asset. Such "Outperformance Certificates" may provide for a limit on the achievable profits (cap). The loss potential of the "Outperformance Certificates" corresponds largely to that of the Underlying Assets and there is the risk of total loss.

(c) Bonus Certificates (SSPA Category 1320)

"Bonus Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Asset to move sideways or to increase (or, in the case of "Bonus Certificates" with a bear feature, to move sideaways or decrease) and (ii) the Underlying Asset not to reach or breach the defined barrier throughout the term of such "Bonus Certificates".

"Bonus Certificates" allow the investor to participate in the performance of the Underlying Asset and provide for a conditional minimum redemption amount at the end of the term of the "Bonus Certificates".

If the specified barrier is not reached or breached during the term of the "Bonus Certificate", the investor will receive at least the minimum redemption amount and the potential profit corresponds largely to that of the Underlying Assets and is not limited.

If the barrier is reached or breached, such "Bonus Certificates" change into "Tracker Certificates", with no capital protection. The loss potential then corresponds largely to that of the Underlying Assets and there is the risk of total loss.

(d) Bonus Outperformance Certificates (SSPA Category 1330)

"Bonus Outperformance Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Asset to increase (or, in the case of "Bonus Outperformance Certificates" with a bear feature, to decrease) and (ii) the Underlying Asset not to reach or breach the specified barrier throughout the term of such "Bonus Outperformance Certificates".

"Bonus Outperformance Certificates" allow the investor to participate in the performance of the Underlying Asset and provide for a conditional minimum redemption amount at the end of the term of the "Bonus Outperformance Certificates".

If the specified barrier is not reached or breached during the term of the "Bonus Outperformance Certificate", investor will receive at least the minimum redemption amount.

Furthermore, if the defined strike price is reached, the participation of the investor is increased by a participation factor resulting in a disproportionate participation in the positive performance (or, in case of an "Bonus Outperformance Certificate" with a bear feature, in the negative performance) of the Underlying Asset and the potential profit is not limited.

If the specified barrier is reached or breached during the term of the "Bonus Outperformance Certificates", such "Bonus Outperformance Certificates" change into "Outperformance Certificates", with no capital protection. The loss potential then corresponds largely to that of the Underlying Assets and there is the risk of total loss.

(e) Twin-Win Certificates (SSPA Category 1340)

"Twin-Win Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Asset to increase or to slightly decrease (or, in the case of "Twin-Win Certificates" with a bear feature, to decrease or slightly increase) and (ii) the Underlying Asset not to breach the defined barrier throughout the term of such "Twin –Win Certificates"

"Twin-Win Certificates" allow the investor to participate in the performance of the Underlying Asset. Profits are possible with both an increasing and slightly decreasing value of the Underlying Asset (or, in the case of "Twin-Win Certificates" with a bear feature decreasing or slightly increasing value of the Underlying Asset).

If the value of the Underlying Asset increases above the strike price, the value of the "Twin-Win Certificates" and the profit corresponds largely to that of the Underlying Assets and the potential profit is not limited.

If the value of the Underlying Assets is below the strike price, but the value of the Underlying Asset did not touch or fall below the barrier throughout the term of such "Twin-Win Certificates", then the negative performance of the Underlying Asset is converted into corresponding profits for investors in the "Twin-Win Certificates".

"Twin-Win Certificates" provide for a conditional minimum redemption amount. The level of the minimum redemption amount representing the level of partial capital protection indicates the percentage of the nominal or par value of the "Twin –Win Certificates" that the investor will be entitled to at the settlement date, provided the barrier is not reached or breached.

If the barrier is reached or breached, such "Twin-Win Certificates" change into "Tracker Certificates" and the loss potential then corresponds largely to that of the Underlying Assets and there is the risk of total loss.

4.4 Investment Products with Additional Credit Risk (SSPA Category 14)

"Investment Products with Additional Credit Risk" are affected by the occurrence of a defined credit event in respect of a reference entity or obligation. If a credit event occurs in respect of a

reference entity or obligation during the term of the "Investment Products with Additional Credit Risk", they will be redeemed at a value which may be significantly below their initial value and as low as zero and investors will make a partial or total loss.

The product category "Investment Products with Additional Credit Risk" includes in particular the following product types:

(a) Credit Linked Notes (SSPA Category 1400)

"Credit Linked Notes" are primarily targeted at investors that expect that no credit event to occur with regard to a reference entity or reference obligation. Generally, if during the term of a "Credit Linked Note" a credit event or a credit redemption event in respect of the relevant reference entity or reference entities occurs, further coupon payments and the repayment of the entire or part of the redemption amount are jeopardised as specified in the applicable terms and conditions of the respective "Credit Linked Note" (early redemption). In such case the amount investors receive may be significantly below its initial value and as low as zero and investors will make a partial or total loss. Therefore, in particular, the solvency of a specific reference entity is decisive.

Generally, if during the term of a "Credit Linked Note" no credit event or credit redemption event occurs in respect of the relevant reference entity resp. reference entities, "Credit Linked Notes" generally provide for a defined scheduled redemption amount equal to a certain percentage of the relevant outstanding principal amount specified in the applicable terms and conditions, which investors will receive on the defined scheduled maturity date, provided that the product is not redeemed prior to the scheduled maturity date.

(b) Conditional Capital Protection Notes with Additional Credit Risk (SSPA Category 1410)

"Conditional Capital Protection Notes with Additional Credit Risk" are primarily targeted at investors that (i) expect the value of the Underlying Asset to increase (or, in the case of "Conditional Capital Protection Notes with Additional Credit Risk" with a bear feature, to decrease), (ii) consider a sharp decrease of the value of the Underlying Asset to be possible (or, in the case of "Conditional Capital Protection Notes with Additional Credit Risk" with a bear feature, a sharp increase of the value of the Underlying Asset) and (iii) and expect no credit event to occur with regard to a reference entity or obligation.

"Conditional Capital Protection Notes with Additional Credit Risk" may have one or more underlying reference entities or obligations. If during the term of the "Conditional Capital Protection Notes with Additional Credit Risk" no credit event occurs in respect of the reference entity or obligation, investors will participate in the performance of the Underlying Asset. If the value of the Underlying Asset has developed favourably (i.e., if the value of the Underlying Asset has increased or, in case of "Conditional Capital Protection Notes with Additional Credit Risk" with a bear feature, decreased), the return will exceed the minimum redemption amount of the "Conditional Capital Protection Notes with Additional Credit Risk". Therefore, if no credit event occurs, "Conditional Capital Protection Notes with Additional Credit Risk" work in the same manner as the corresponding "Capital Protection Product" on which they are based.

If a credit event occurs in respect of the reference entity or obligation during the term of the "Conditional Capital Protection Notes with Additional Credit Risk", the investor loses the capital protection and the "Conditional Capital Protection Notes with Additional Credit Risk" will be redeemed at a value which may be significantly below their initial value and as low as zero and investors will make a partial or total loss.

(c) Yield Enhancement Certificates with Additional Credit Risk (SSPA Category 1420)

"Yield Enhancement Certificates with Additional Credit Risk" are primarily targeted at investors that expect (i) the value of the Underlying Asset to move sideways or to slightly increase (or, in the case of "Yield Enhancement Certificates with Additional Credit Risk" with a bear feature to move sideaways or to slightly decrease), with falling volatility, and (ii) no credit event to occur with regard to a reference entity or obligation.

"Yield Enhancement Certificates with Additional Credit Risk" may have one or more underlying reference entities or obligations. If during the term of the "Yield Enhancement Certificates with Additional Credit Risk" no credit event occurs in respect of the reference entity or obligation, investors will receive a coupon or a discount and the "Yield Enhancement Certificates with Additional Credit Risk" will work in the same manner as the corresponding "Yield Enhancement Product" on which they are based.

If a credit event occurs in respect of the reference entity or obligation during the term of the "Yield Enhancement Certificates with Additional Credit Risk", they will be redeemed at a value which may be significantly below their initial value and as low as zero and investors will make a partial or total loss.

(d) Participation Certificates with Additional Credit Risk (SSPA Category 1430)

"Participation Certificates with Additional Credit Risk" are primarily targeted at investors that expect (i) the value of the Underlying Asset to increase (or, in the case of "Participation Certificates with Additional Credit Risk" with a bear feature, to decrease) and (ii) no credit event to occur with regard to a reference entity or obligation.

"Participation Certificates with Additional Credit Risk" may have one or more underlying reference entities or obligations. If during the term of the "Participation Certificates with Additional Credit Risk" no credit event occurs in respect of the reference entity or obligation, investors will participate in the performance of the Underlying Asset in the same manner as the corresponding "Participation Product" on which they are based.

If a credit event occurs in respect of the reference entity or obligation during the term of the "Participation Certificates with Additional Credit Risk", they will be redeemed at a value which may be significantly below their initial value and as low as zero and investors will make a partial or total loss.

4.5 **Leverage Products (SSPA Category 20)**

"Leverage Products" are subject to a leverage effect both in the direction of profits and losses, i.e., changes in the value of the Underlying Asset have a disproportionate effect on the value of "Leveraged Products" compared to a direct investment in the Underlying Asset. The leverage effect permits investors to use less capital compared to investing directly in the Underlying Asset.

The product category "Leverage Products" includes in particular the following product types:

(a) Warrants (SSPA Category 2100)

"Warrants" with a call feature are primarily targeted at investors that expect the value of the Underlying Asset and the volatility to increase. "Warrants" with a put feature are primarily targeted at investors that expect the value of the Underlying Asset to decrease and volatility to increase. "Warrants" are therefore suitable for hedging and speculating.

The essential attribute of "Warrants" is the leverage effect. The leverage effect causes the value of such "Warrants" to react proportionally more strongly to changes in the value of the Underlying Asset below or above the strike price, as applicable. The leverage is the result of the fact that the invested capital in such "Warrants" is smaller than for a direct investment in the Underlying Asset. Therefore, a smaller investment may generate a leveraged positive or negative performance relative to the Underlying Asset.

(b) Spread Warrants (SSPA Category 2110)

"Spread Warrants" with a bull feature are primarily targeted at investors that expect the value of the Underlying Asset to increase. "Spread Warrants" with a bear feature are primarily targeted at investors that expect the value of the Underlying Asset to decrease.

"Spread Warrants" provide for a leverage effect, meaning the value of such "Spread Warrants" will react proportionally more strongly to changes in the value of the Underlying Asset below

or above the strike price, as applicable. The leverage is the result of the fact that the invested capital in such "Spread Warrants" is smaller than for a direct investment in the Underlying Asset. Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Asset.

The potential yield of an investment in "Spread Warrants" is limited, namely by the upper cap in the case of "Spread Warrants" with a bull feature and by the lower cap in the case of "Spread Warrants" with a bear feature. This means that an investor may benefit from an increase (in the case of a bull feature) or a decrease (in the case of a bear feature) of the value of the Underlying Asset up to a maximum value at the lower or upper cap, as applicable.

(c) Warrants with Knock-Out (SSPA Category 2200)

"Warrants with Knock-Out" and a call feature are primarily targeted at investors that expect the value of the Underlying Asset to increase. "Warrants with Knock-Out" and a put feature are primarily targeted at investors that expect the value of the Underlying Asset to decrease-

"Warrants with Knock-Out" provide for a leverage effect, meaning the value of such "Warrants with Knock-Out" will react proportionally more strongly to changes in the value of the Underlying Asset below or above the knock out, as applicable. The leverage is the result of the fact that the invested capital in such "Warrants with Knock-Out" is smaller than for a direct investment in the Underlying Asset. Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Asset.

Volatility only has a minor effect on the value of "Warrants with Knock-Out" and also the loss of time value is marginal.

(d) Mini-Futures (SSPA Category 2210)

"Mini Futures" (long) are primarily targeted at investors that expect the value of the Underlying Asset to increase. "Mini Futures" (short) are primarily targeted at investors that expect the value of the Underlying Asset to decrease. "Mini Futures" are therefore suitable for hedging and speculating.

"Mini Futures" provide for a leverage effect, meaning the value of such "Mini Futures" will react proportionally more strongly to changes in the value of the Underlying Asset below or above the stop-loss barrier. The leverage effect is the result of the fact that the invested capital in such "Mini Futures" is smaller than for a direct investment in the Underlying Asset. Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Asset.

(e) Constant-Leverage Certificates (SSPA Category 2300)

"Constant Leverage Certificates" (long) are primarily targeted at investors that expect the value of the Underlying Asset to increase. "Constant Leverage Certificates" (short) are primarily targeted at investors that expect the value of the Underlying Asset to decrease. "Constant Leverage Certificates" allow investors to make long term -leveraged investments in an Underlying Asset for which the risk and leverage effect are kept constant.

"Constant Leverage Certificates" provide for a leverage effect, meaning the value of such "Constant Leverage Certificates" will react proportionally more strongly to changes in the value of the Underlying Asset. The leverage effect is the result of the fact that the invested capital in such "Constant Leverage Certificates" is smaller than for a direct investment in the Underlying Asset. Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Asset. Unlike other "Leverage Products", the leverage effect of "Constant Leverage Certificates" remains constant. A regular resetting mechanism under which the performance of the Underlying Asset is mirrored with a defined leverage factor (i.e., a constant leverage of, for example, 10), ensures that the leverage effect remains constant.

ADDITIONAL INFORMATION ABOUT SCREEN RATE DETERMINATION REFERENCE RATES AND SOFR, SONIA AND TONA

Set forth below is certain information relating to Reference Rates that are determined by Screen Rate Determination and SOFR, SONIA and TONA, including certain information relating to the methodology for, the administrator of, and the availability of information regarding such rates. Unless otherwise stated, disclosure in the Offering Circular, including in Annex 17 and this section to the Offering Circular, relating to any such rate is based on information publicly available as of the date of the Offering Circular on or by means of the applicable Internet website that is identified below for such rate under the appropriate caption. Additional information relating to each such rate is, and may from time to time be, available on such website. Any Internet website address provided below is an inactive textual reference only, and neither such website, any other webpages available by hyperlink from or otherwise by means of such website, nor any of the information or materials available thereon, are incorporated by reference into the Offering Circular. Neither the Issuer nor the Dealer has independently verified the accuracy or completeness of any information publicly available through any such website. Any such rate or the use thereof may be subject to important disclaimers and limitations as set forth on the applicable website. Neither the Issuer nor the Dealer has independently verified or makes any representation as to, the accuracy or completeness of any information publicly available on any such website. Rate information also may be available by a paid subscription to an information services provider such as Bloomberg, Reuters or Refinitiv.

Any capitalised or other defined term used, but not defined in this section, shall have the same meaning given to it in the Offering Circular.

Screen Rate Determination Reference Rates

BBSW

The website referred to above for BBSW is located on the website of the Australian Stock Exchange (the "**ASX**") at https://www2.asx.com.au/connectivity-and-data/information-services/benchmarks/benchmark-data/bbsw (the "**BBSW Website**").

The administrator and publisher of BBSW is ASX Benchmarks Pty Limited ("**ASX Benchmarks**"), a wholly owned subsidiary of ASX Limited, the company that operates several trading, clearing and settlement platforms in Australia, including the ASX. ASX Benchmarks has been the BBSW administrator since January 1, 2017.

BBSW is a forward-looking, unsecured, short-term money market rate that reflects prime bank facing credit exposure. BBSW is intended to measure the cost for highly rated banks in Australia to issue short-term securities for specified tenors. The group of banks contributing to BBSW are those operating in Australia whose short-term securities trade as a homogenous asset class and are recognised as being of the highest quality with regard to liquidity, credit and consistency of relative yield. Eligibility to contribute to BBSW is reviewed on an annual basis.

Pursuant to the applicable methodology for BBSW as provided on the BBSW Website, BBSW is calculated based on a combination of transaction data and live executable prices using a waterfall methodology comprised of three main stages. The primary layer is calculated in the following manner: (i) if the eligible trades all occur on the same trade date, the BBSW is based on a volume weighted average of all eligible trades reported to ASX Benchmarks during the rate set window or (b) if the eligible trades fall on multiple maturity dates, the BBSW is based on a weighted methodology using "least squares" to determine a "line of best fit" through the eligible trade data. When a BBSW rate cannot be determined under either methodology of the primary layer, the secondary layer will be used to determine the BBSW by sampling bid/offer spreads from approved trading venues during three different sample periods and then calculating the average midpoint for such bid/offer spreads. In the event that the secondary layer is unable to provide a BBSW rate, then the tertiary layer consisting of a fallback methodology with five stages is employed, including interpolation or extrapolation of the rate depending on the tenor to be calculated and possible reversion to the prior day's BBSW.

ASX Benchmarks publishes BBSW each business day on the BBSW Website on a 24 hour delayed basis and maintains a 10 day history of BBSW. ASX provides real time BBSW data and additional historical data through a paid subscription to ASX Benchmarks Data.

TORF

The website referred to above for TORF is located on the website of Quick Benchmarks, Inc. ("**Quick**"), the administrator of TORF at: *https://www.torf.co.jp/en/document/* (the "**TORF Website**").

Quick Corp. commenced daily publication of TORF on a prototype basis on 9 October, 2020. Quick Corp. established Quick on 18 January 2021 to be responsible for the calculation and publication of TORF. Quick commenced daily publication of TORF on a production basis (i.e., for use in transactions) on 26 April , 2021. TORF is a forward-looking term reference rate calculated by Quick for tenors of one, three and six months. Pursuant to the methodology for TORF available on the TORF Website, TORF is calculated by Quick based on the transaction rate of overnight index swap ("OIS") transactions in Japanese yen, and is intended to show the risk-free rate of Japanese yen term products at the beginning of the interest rate calculation period ("fixing in advance" method). Japanese yen OIS transactions are interest rate swaps that use TONA as the reference floating interest rate. Reporting brokers—i.e., money brokers or other intermediaries selected by Quick in accordance with the procedures set out in Quick's Operational Rules—provide execution data (i.e. data regarding Japanese yen OIS transaction executed at the reporting broker) and quote data (i.e., data of orders submitted by trading participants at the reporting broker on the premise of a transaction) to Quick for the purpose of calculating TORF. The TORF reporting brokers are Ueda Tradition Securities Ltd. Tullett Prebon (Japan) Limited and Totan ICAP Co., Ltd. The execution rate or quote rate reported by reporting brokers to calculate TORF is the interest rate on the fixed interest rate side that is exchanged for TONA, which is a floating interest rate. Quick uses a waterfall methodology to prioritise the data provided by the reporting brokers and calculate TORF for the relevant tenors. The waterfall prioritises the use of execution data, followed by different categories of quote data.

Quick currently publishes TORF on a daily basis (subject to a 24-hour delay) on its website at: https://moneyworld.jp/page/torf.html.

ICE Swap Rates

The website referred to above for the U.S. Dollar SOFR ICE Swap Rate®, the GBP ICE SONIA Swap Rate® and the EUR ICE EURIBOR Swap Rate® (each, an "**ICE Swap Rate**"), is located on website of the administrator of the ICE Swap Rates, ICE Benchmark Administration Limited ("**IBA**"), at https://www.theice.com/iba/ice-swap-rate (the "**ICE Swap Rate® Website**").

Each ICE Swap Rate represents the mid-price for interest rate swaps (the fixed leg) and swap spreads (the applicable mid-price minus a corresponding specified government bond yield) in the applicable currency (USD, GBP and EUR) in various tenors ranging from 1 year to 30 years at particular specified times of the day. In June 2020, IBA implemented a waterfall approach for the ICE Swap Rate methodology, which each of the ICE Swap Rates follow. Subsequently, the U.S. Dollar SOFR ICE Swap Rate® was launched by IBA for use as a benchmark on 8 November, 2021 in order to aid the market's transition to SOFR and away from U.S. dollar LIBOR and the GBP SONIA ICE Swap Rate® was launched by IBA for use as a benchmark on 14 December, 2020 in order to aid the market's transition to SONIA as the preferred near risk-free rate for use in Sterling derivatives.

To calculate the ICE Swap Rates, IBA relies on eligible, executable prices and volumes provided by regulated, electronic, trading venues and, if such trading venues do not provide sufficient eligible input data, eligible dealer to client prices and volumes displayed electronically by trading venues. If there is insufficient eligible input data to calculate a rate in accordance with the foregoing sentence, IBA uses movement interpolation, where possible for applicable tenors, to calculate a rate. Where it is not possible to calculate an ICE Swap Rate for an applicable tenor in accordance with the foregoing, then IBA's Insufficient Data Policy as set forth on the ICE Swap Rate® Website will apply and "No Publication" will be published for the ICE Swap Rate of the applicable tenor. The ICE Swap Rate for the various applicable tenors as reported on the ICE Report Center is expressed as an integer rounded to two decimal places; however, for purpose of calculations of interest with respect to the notes, such rate will be deemed to be expressed as a percentage.

The ICE Swap Rates are calculated on each weekday other than those set forth in IBA's ICE Swap Rate Holiday Calendar, which is available on the ICE Swap Rate® Website, and published in the ICE Report Center, a link to which is available on the ICE Swap Rate® Website. For any particular day, the only

rate available for viewing on the ICE Report Center is the rate published for the preceding publication day.

TONA TSR

The website referred to above for TONA TSR, is located on the website of its administrator Refinitiv Benchmark Services (UK) Limited ("**RBSL**") at https://www.refinitiv.com/en/financial-data/financial-benchmarks/tokyo-swap-rate(the "**TONA TSR Website**").

TONA TSR was launched by RBSL for use as a benchmark on 28 October, 2021 in order to establish a representative benchmark reference rate for OIS that reference TONA. The TONA OIS market exists primarily within Japan. In December 2016, the Japanese Study Group on Risk-Free Reference Rates announced TONA as its preferred risk free rate for Japanese yen.

Pursuant to the applicable methodology for TONA TSR available on the TONA TSR Website, TONA TSR is calculated using a waterfall methodology comprising two levels ("**Level 1**" and "**Level 2**"). Level 1 is based on executable dealer-to-client quotes in spot starting TONA OIS contracts from Tradeweb, a dealer-to-client trading platform, subject to a threshold for input data sufficiency. Quotes are captured for spot starting TONA OIS contracts cleared by the Japan Securities Clearing Corporation ("**JSCC**") in respect of each tenor of TONA TSR. Input data for Level 2 comprises indicative rates for spot starting TONA OIS contracts cleared by the JSCC taken from two inter-dealer brokers, Tradition and TP ICAP, and Tradeweb (composite indicative rates). In addition, any dealer quotes from Tradeweb that are available but, when considered alone, are insufficient to meet the threshold for Level 1 for a specific tenor of TONA TSR will be included as input data for Level 2. Use of Level 2 for determination of each benchmark tenor also is based on a threshold for input data sufficiency. TONA TSR is published as a percentage rounded to three decimal places.

TONA TSR is calculated and published on each Tokyo business day. RBSL does not make publicly available historical rates for TONA TSR and has not indicated whether such information will become publicly available in the future. In order to access such information, an investor will need to obtain a paid subscription to a Refinitiv service such as Refinitiv Eikon.

KRW CMS Rate

The following information relating to the KRW CMS Rate is based on limited market information available to the Issuer and its affiliates, including the Dealer.

KRW CMS represents the mid-market rate for a Korean Won deliverable interest rate swap in various tenors ranging from 1 year to 30 years, where the floating leg is based on the 91-day Korean Won CD rate, equal to the arithmetic mean of the live bid and ask rates, collected by Tullett Prebon Information (or a successor information provider) and provided to Bloomberg, which appear on Bloomberg Page "GDCO 4572 33" (or any successor or replacement page to the applicable page as determined by the Calculation Agent). There is no administrator or calculation methodology for the KRW CMS Rate. The Calculation Agent will determine KRW CMS as a simple arithmetic mean of the live bid and ask rates that appear on the relevant screen page at the Relevant Time.

Bloomberg provides the bid and ask rates for Korean Won deliverable interest rate swaps to its subscribers on a live basis each Seoul business day and the bid and ask rates are updated throughout the day. KRW CMS for a given business day will be determined by the Calculation Agent based on the bid and ask rates provided by Bloomberg on or after 4:00 p.m. Seoul time on such business day, or such other Relevant Time as may be specified in the applicable Final Terms.

Tullett Prebon Information does not make publicly available any historical rate information with respect to the KRW CMS Rate, or any information relating to the data/information that is used to calculate or determine the bid and ask rates that it provides to Bloomberg, the sources from which such data/information is obtained, how it calculates such bid and ask rates, or its publication practices with respect thereto. A paid subscription to an information services provider such as Bloomberg is required to obtain historical rate information relating to the bid and ask rates upon which the KRW CMS Rate is based.

SOFR, SONIA and TONA

SOFR

The website referred to above for SOFR is located on the website of the SOFR Administrator at https://apps.newyorkfed.org/markets/autorates/sofr (the "**SOFR Website**").

SOFR was selected by the Federal Reserve Bank of New York ("**FRBNY**") in 2017 as a replacement for U.S. LIBOR and since 2018 has been published by the FRBNY and is intended to be a broad measure of the cost of borrowing cash overnight collateralised by U.S. Treasury securities. The SOFR Administrator reports that SOFR includes all trades in the Broad General Collateral Rate, plus bilateral Treasury repurchase agreement ("**repo**") transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the "**FICC**"), a subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). SOFR is filtered by FRBNY to remove a portion of the foregoing transactions considered to be "specials." According to FRBNY, "specials" are repos for specific-issue collateral which take place at cash-lending rates below those for general collateral repos because cash providers are willing to accept a lesser return on their cash in order to obtain a particular security.

SOFR is calculated as a volume-weighted median of transaction-level tri-party repo data collected from The Bank of New York Mellon, which currently acts as the clearing bank for the tri-party repo market, as well as General Collateral Finance Repo transaction data and data on bilateral U.S. Treasury repo transactions cleared through the FICC's delivery-versus-payment service. FRBNY notes that it obtains information from DTCC Solutions LLC, an affiliate of DTCC.

FRBNY currently publishes SOFR for the preceding 25 business days each business day at approximately 8:00 a.m. ET on the SOFR Website. Historical data for an earlier period can be obtained on the SOFR Website through the historical data search function.

SONIA

The website referred to above for SONIA, is located on the website of its administrator the Bank of England ("**BOE**") at https://www.bankofengland.co.uk/markets/sonia-benchmark (the "**SONIA Website**").

SONIA is intended to be a measure of the rate of interest paid on sterling short-term wholesale funds. SONIA was first established in March 1997 by the Wholesale Markets Brokers' Association. BOE became the Administrator for SONIA in 2016 and reformed the methodology on April 23, 2018.

SONIA is the trimmed mean of interest rates paid on eligible sterling deposit transactions, rounded to four decimal places. Eligible transactions are (1) reported to the BOE's Sterling Money Market daily collection; (2) unsecured with a maturity date of T+1; (3) executed between 00:00 and 18:00 UK time and settled the same day; and (4) at least £25,000,000 in value.

To calculate SONIA, BOE relies on data reported to its Sterling Money Market daily data collection, in accordance with the effective Form SMMD. Form SMMD is a daily, transaction-level data collection instrument for key sterling money markets. SONIA is calculated as the volume-weighted mean rate, based on the middle 50% of the volume-weighted distribution of rates.

For each London business day, SONIA is published at 9:00am UK time the following business day. Authorised redistributors of SONIA are Bloomberg, Refinitiv, ICE Group and SIX Financial Information Ltd. SONIA is freely available on the BOE's Interactive Statistical Database available through the SONIA Website by 10:00am the business day after it was initially published, along with historical data dating back to 1997.

TONA

The website referred to above for TONA, is located on the website of its administrator the Bank of Japan at https://www.boj.or.jp/en/statistics/market/short/mutan/index.htm/ (the "**TONA Website**").

In December 2016 the Japanese Study Group on Risk-Free Reference Rates announced TONA as its preferred risk free rate for Japanese yen. TONA is administered and published by the Bank of Japan. TONA represents the rates of transactions brokered by money market brokers settled on the same day as

the trade date and maturing the following business day in the Japanese uncollateralised call money market. TONA is the volume-weighted average call rate, calculated by dividing the sum of the product of each transaction volume and the corresponding rate by the sum of the overall transaction volumes.

To calculate TONA, the Bank of Japan relies on data submitted by information providers (rounded to three decimal places). As of the date of this Offering Circular, the information providers are Ueda Yagi Tanshi Co., Ltd. Central Tanshi Co., Ltd. and The Tokyo Tanshi Co., Ltd.

The Bank of Japan currently publishes on each business day, the provisional results for TONA for such business day on or after 5:15 p.m. (Japan time) (or 6:15 p.m. (Japan time), in the case of the last business days of each month except December) and the final results for TONA for the preceding business day at 10 a.m. (Japan time) at https://www3.boj.or.jp/market/en/menu_m.htm. Final results for TONA for every business day in 2021 and 2022 may be obtained through the same website.

FORMS OF GUARANTEES

FORM OF MLBV/MLICO. GUARANTEE

FOR VALUE RECEIVED, the receipt of which is hereby acknowledged, BANK OF AMERICA CORPORATION, a Delaware corporation ("**BAC**"), hereby irrevocably, fully and unconditionally guarantees (the "**Guarantee**") to the holders (the "**Holders**") of Warrants and Certificates (other than in respect of Secured Instruments (as defined in the English Law Agency Agreement (defined below)), which are not guaranteed) ("**MLICo. Guaranteed Instruments**") issued from time to time on or after the date hereof by Merrill Lynch International & Co. C.V., a limited partnership of unlimited duration, organized under the laws of Curaçao ("**MLICo.**") (acting by its general partner ML Cayman Holdings Inc.), and Notes, Certificates and Warrants (other than in respect of Secured Instruments, which are not guaranteed) ("**MLBV Guaranteed Instruments**" and together with the MLICo. Guaranteed Instruments, the "**Guaranteed Instruments**") issued from time to time on or after the date hereof by Merrill Lynch B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands ("**MLBV**" and, together with MLICo., the "**Issuers**" and each, an "**Issuer**"), in each case under the terms of the English Law Agency Agreement dated May 13, 2022 (as the same may be amended, supplemented and/or restated from time to time in accordance with the terms thereof, the "**English Law Agency Agreement**") among BAC, MLBV, MLICo. and the Agents (as defined therein), as primary obligor and not merely as surety, on an unsecured basis, (a) the due and punctual payment (whether at stated maturity, upon redemption, repayment or acceleration, or otherwise) of the principal of (and premium, if any, on) and any interest and all other amounts due and payable by the relevant Issuer as obligor in respect of each such Guaranteed Instrument and (b) subject as provided below, the due and punctual delivery of non-cash consideration deliverable by the relevant Issuer as obligor in respect of each such Guaranteed Instrument, in each case pursuant to and in accordance with the Conditions (as defined in the English Law Agency Agreement) of such Guaranteed Instruments. Upon failure by the relevant Issuer to punctually pay any such amount or, subject as provided below, deliver any such non-cash consideration when due, the Guarantor shall forthwith on demand pay the amount not so paid or, subject as provided below, deliver the non-cash consideration not so delivered at the same place and in the same manner specified that applies to payments or deliveries of non-cash consideration made by the relevant Issuer under such Guaranteed Instruments. This Guarantee is one of payment and not of collection.

For the avoidance of doubt, any Series of Guaranteed Instruments originally issued by the relevant Issuer pursuant to a guarantee issued by BAC prior to the date hereof (each, an "**Original Guarantee**"), and any Guaranteed Instruments issued on or after the date hereof which are expressed to be consolidated and form a single series with any Guaranteed Instruments issued prior to the date hereof, shall continue to be governed by, and construed in accordance with, the terms of such Original Guarantee. In addition, any Guaranteed Instruments issued on or after the date on which BAC has granted a subsequent guarantee of such Guaranteed Instruments (in respect of which such Guaranteed Instruments will have the benefit) shall not have the benefit of this Guarantee (save (i) in relation to any Tranche of Guaranteed Instruments which are expressed to be consolidated and form a single series with any Tranche(s) of Guaranteed Instruments which have the benefit of this Guarantee, and/or (ii) if expressly so provided in any such subsequent guarantee and/or applicable Conditions (including, without limitation, the Final Terms) of the Guaranteed Instruments).

Notwithstanding that under the terms of the Guaranteed Instruments either (i) the relevant Issuer has the right (whether or not exercised) to vary the type of consideration due and payable or deliverable to a Holder or (ii) a Holder has the right (whether or not exercised) to vary the type of consideration due and payable or deliverable to it or (iii) the relevant Issuer is obligated to deliver non-cash consideration to Holders when the same shall become due and deliverable, BAC shall at all times have the right, at its sole and unfettered discretion, to elect not to deliver or procure delivery of the Entitlement to the Holders of such Guaranteed Instruments when the same shall become due and deliverable, but, in lieu thereof, to pay an amount in cash equal to the Guaranteed Cash Settlement Amount (calculated pursuant to the terms of, or as specified in, the Conditions and the Final Terms prepared with respect to such Guaranteed Instruments). Any payment of the Guaranteed Cash Settlement Amount in lieu of the Entitlement shall constitute a complete discharge of BAC's obligations in respect of such Guaranteed Instruments.

The obligations of BAC hereunder are unconditional, absolute and irrevocable and, without limiting the generality of the foregoing, will not be released, discharged, or otherwise affected or impaired by: (a)

any extension, renewal, settlement, compromise, waiver, release, or moratorium in respect of any obligation of the relevant Issuer under any Guaranteed Instrument, in whole or in part, by operation of law or otherwise; (b) any waiver or consent, modification or amendment of or supplement to any Guaranteed Instrument; (c) any change in the corporate existence, structure or ownership of the relevant Issuer (whether by way of consolidation, amalgamation, merger, transfer, sale, lease, conveyance or otherwise), or any insolvency, bankruptcy, receivership, reorganization or other similar proceeding affecting the relevant Issuer or its assets or any resulting release or discharge of any obligation of the relevant Issuer contained in any Guaranteed Instrument; (d) the existence of any claim, counterclaim, set off, recoupment or other rights or defenses which BAC may have at any time against the relevant Issuer or any other person or entity, whether in connection with the Guaranteed Instruments or any unrelated transactions, provided that nothing herein prevents the assertion of any such claim by separate suit or compulsory counterclaim; (e) the absence of any action to enforce any of the relevant Issuer's obligations with respect to any Guaranteed Instrument; (f) any invalidity, irregularity or unenforceability relating to or against the relevant Issuer for any reason of any Guaranteed Instrument (except as may result from any applicable statute of limitations), or any provision of applicable law or regulation purporting to prohibit the payment by the relevant Issuer of the principal of or interest on any Guaranteed Instrument; (g) the rendering of any judgment against the relevant Issuer or any action to enforce the same; or (h) any act or omission to act or delay of any kind by the relevant Issuer or any other person or entity or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of or defense to BAC's obligations hereunder (other than the indefeasible payment in full of all of BAC's obligations hereunder).

BAC's obligations under this Guarantee with respect to any Guaranteed Instruments will remain in full force and effect until the principal of (and premium, if any, on) and any interest and all other amounts due and payable by the relevant Issuer on such Guaranteed Instrument have been paid in full. If at any time any due and punctual payment of the principal of (and premium, if any, on) or any interest or other amount payable by the relevant Issuer on any Guaranteed Instrument is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy, receivership or reorganization of the relevant Issuer or otherwise, BAC's obligations hereunder with respect to such payment will be reinstated as though such payment had been due but not made at such time.

BAC hereby irrevocably waives diligence; acceptance; presentment; demand; protest; notice of protest, notice of acceleration; notice of dishonor; any notice not provided for herein; filing of claims with any court in the event of insolvency or bankruptcy of the relevant Issuer; and any right to require a proceeding first against the relevant Issuer or any other entity or person.

Upon making any payment or delivery of non-cash consideration with respect to any obligation of the relevant Issuer under this Guarantee, BAC shall be subrogated to the rights of the payee against the relevant Issuer with respect to such obligation, provided that BAC may not enforce any right of subrogation with respect to such payment or delivery so long as any amount payable or deliverable by the relevant Issuer under any Guaranteed Instrument remains unpaid or not delivered.

If acceleration of the time for payment of any amount payable or deliverable by MLBV on the Notes guaranteed hereunder is stayed upon the insolvency, bankruptcy, receivership or reorganization of the relevant Issuer, all such amounts or non-cash consideration otherwise subject to acceleration under the Conditions of such Notes are nonetheless payable or deliverable by BAC hereunder forthwith on demand by the Holders.

Notwithstanding anything to the contrary in this Guarantee, BAC, and by its acceptance of a Guaranteed Instrument, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee not constitute a fraudulent conveyance under applicable fraudulent conveyance, fraudulent transfer or similar provisions of the United States Bankruptcy Code or any comparable provision of U.S. state law. To effectuate that intention, the Holders and BAC hereby irrevocably agree that the obligations of BAC under the Guarantee are limited to the maximum amount that would not render BAC's obligations subject to avoidance under applicable fraudulent conveyance, fraudulent transfer or similar provisions of the United States Bankruptcy Code or any comparable provision of U.S. state law.

Any demand upon BAC hereunder with respect to this Guarantee shall be made by the relevant Holder by the giving of written notice of such demand to BAC at Bank of America Corporation, Bank of America Corporate Center, Attention: Corporate Treasury - Global Funding Transaction Management, NC1-007-06-10, 100 North Tryon Street, Charlotte, North Carolina 28255-0065, U.S.A., with a copy sent to BAC

at Bank of America Corporation, Legal Department, Attention: General Counsel, NC1-027-18-05, 150 North College Street, Charlotte, North Carolina 28255-0065, U.S.A.; provided, however, that delay in making such demand shall in no event affect BAC's obligations under this Guarantee.

BAC hereby represents and warrants to the Holders of the Guaranteed Instruments that this Guarantee constitutes the valid and binding obligation of BAC and is enforceable in accordance with its terms.

This Guarantee shall not be valid or become obligatory for any purpose with respect to any Guaranteed Instrument until the Global Note, the Individual Note Certificate, the Global Certificate, the individual certificate, the Global Warrant or the individual warrant certificate, as applicable, shall have been authenticated and delivered as provided in the English Law Agency Agreement.

Terms and expressions defined in the applicable Conditions shall have the same meanings when used in this Guarantee, except where the context otherwise requires.

This Guarantee may be terminated at any time by written notice by BAC to the relevant Issuer, and shall be effective upon receipt of such notice by the relevant Issuer or such later date as may be specified in such notice; provided, however, that notwithstanding any such termination, this Guarantee shall continue in full force and effect with respect to any payment obligations of the relevant Issuer under any Guaranteed Instruments covered by this Guarantee already in issue at the date of such termination being effective.

This Guarantee will terminate upon the merger of the relevant Issuer with and into BAC.

This Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made and to be performed in the State of New York.

The Guaranteed Instruments are governed by, and construed in accordance with, English law, and the Issuers have submitted to the exclusive jurisdiction of the English courts for the purposes of determining any legal action or proceeding relating thereto. BAC has not submitted to the jurisdiction of the English courts for any such purpose, and any legal action or proceedings arising out of or relating to this Guarantee shall be subject to the non-exclusive jurisdiction of the courts of the State of New York or the courts of the United States of America located in the Borough of Manhattan in the City and State of New York.

This Guarantee shall expire and is no longer effective once all amounts payable on or in respect of the Guaranteed Instruments have been paid in full.

IN WITNESS WHEREOF, BAC has caused this Guarantee to be executed in its corporate name by its duly authorized representative effective as of May 13, 2022.

BANK OF AMERICA CORPORATION

By: _____

Name: _____

Title: _____

FORM OF BOFA FINANCE GUARANTEE

FOR VALUE RECEIVED, the receipt of which is hereby acknowledged, BANK OF AMERICA CORPORATION, a Delaware corporation ("**BAC**"), hereby irrevocably, fully and unconditionally guarantees (the "**Guarantee**") to the holders of Notes (the "**Holders**") issued from time to time on or after the date hereof by BofA Finance LLC, a Delaware limited liability company (the "**Issuer**"), under the New York Law Agency Agreement dated as of May 13, 2022 (as the same may be amended, supplemented and/or restated, the "**New York Law Agency Agreement**"), as primary obligor and not merely as surety, on an unsecured basis, the due and punctual payment (whether at stated maturity, upon redemption, repayment or acceleration, or otherwise) of the principal of (and premium, if any, on) and any interest and all other amounts due and payable by the Issuer as obligor in respect of each Note pursuant to and in accordance with the Conditions (as defined in the New York Law Agency Agreement) of the Notes. Upon failure by the Issuer to punctually pay any such amount when due, the Guarantor shall forthwith on demand pay the amount not so paid at the same place and in the same manner specified that applies to payments made by the Issuer under such Notes. This Guarantee is one of payment and not of collection.

For the avoidance of doubt, any Series of Notes originally issued by the Issuer pursuant to a guarantee issued by BAC prior to the date hereof (each, an "**Original Guarantee**"), and any Notes issued on or after the date hereof which are expressed to be consolidated and form a single series with any Notes issued prior to the date hereof, shall continue to be governed by, and construed in accordance with, the terms of such Original Guarantee. In addition, any such Notes issued on or after the date on which BAC has granted a subsequent guarantee of Notes (in respect of which such Notes will have the benefit) shall not have the benefit of this Guarantee (save (i) in relation to any Tranche of Notes which are expressed to be consolidated and form a single series with any Tranche(s) of Notes which have the benefit of this Guarantee, and/or (ii) if expressly so provided in any such subsequent guarantee and/or applicable Conditions (including, without limitation, the Final Terms) of the Notes).

The obligations of BAC hereunder are unconditional, absolute and irrevocable and, without limiting the generality of the foregoing, will not be released, discharged, or otherwise affected or impaired by: (a) any extension, renewal, settlement, compromise, waiver, release, or moratorium in respect of any obligation of the Issuer under any Note, in whole or in part, by operation of law or otherwise; (b) any waiver or consent, modification or amendment of or supplement to any Note; (c) any change in the corporate existence, structure or ownership of the Issuer (whether by way of consolidation, amalgamation, merger, transfer, sale, lease, conveyance or otherwise), or any insolvency, bankruptcy, receivership, reorganization or other similar proceeding affecting the Issuer or its assets or any resulting release or discharge of any obligation of the Issuer contained in any Note; (d) the existence of any claim, counterclaim, set off, recoupment or other rights or defenses which BAC may have at any time against the Issuer or any other person or entity, whether in connection with the Notes or any unrelated transactions, provided that nothing herein prevents the assertion of any such claim by separate suit or compulsory counterclaim; (e) the absence of any action to enforce any of the Issuer's obligations with respect to any Note; (f) any invalidity, irregularity or unenforceability relating to or against the Issuer for any reason of any Note (except as may result from any applicable statute of limitations), or any provision of applicable law or regulation purporting to prohibit the payment by the Issuer of the principal of or interest on any Note; (g) the rendering of any judgment against the Issuer or any action to enforce the same; or (h) any act or omission to act or delay of any kind by the Issuer or any other person or entity or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of or defense to BAC's obligations hereunder (other than the indefeasible payment in full of all of BAC's obligations hereunder).

BAC's obligations under this Guarantee with respect to any Notes will remain in full force and effect until the principal of (and premium, if any, on) and any interest and all other amounts due and payable by the Issuer on such Notes have been paid in full. If at any time any due and punctual payment of the principal of (and premium, if any, on) or any interest or other amount payable by the Issuer on any Note is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy, receivership or reorganization of the Issuer or otherwise, BAC's obligations hereunder with respect to such payment will be reinstated as though such payment had been due but not made at such time.

BAC hereby irrevocably waives diligence; acceptance; presentment; demand; protest; notice of protest, notice of acceleration; notice of dishonor; any notice not provided for herein; filing of claims with any court in the event of insolvency or bankruptcy of the Issuer; and any right to require a proceeding first

against the Issuer or any other entity or person. BAC hereby agrees that, in the event of a default in payment of the principal of (and premium, if any, on) and any interest or other amounts payable by the Issuer with respect to any Note, whether at its stated maturity, by declaration of acceleration, call for redemption or otherwise, legal proceedings may be instituted by the Holder of such Note, subject to the terms and conditions of such Note, directly against BAC to enforce the Guarantee without first proceeding against the Issuer.

Upon making any payment with respect to any obligation of the Issuer under this Guarantee, BAC shall be subrogated to the rights of the payee against the Issuer with respect to such obligation, provided that BAC may not enforce any right of subrogation with respect to such payment so long as any amount payable by the Issuer under any Note remains unpaid.

If acceleration of the time for payment of any amount payable by the Issuer on the Notes is stayed upon the insolvency, bankruptcy, receivership or reorganization of the Issuer, all such amounts otherwise subject to acceleration under the terms and conditions of such Notes are nonetheless payable by BAC hereunder forthwith on demand by the Holders.

Notwithstanding anything to the contrary in this Guarantee, BAC, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee not constitute a fraudulent conveyance under applicable fraudulent conveyance, fraudulent transfer or similar provisions of the United States Bankruptcy Code or any comparable provision of U.S. state law. To effectuate that intention, the Holders and BAC hereby irrevocably agree that the obligations of BAC under the Guarantee are limited to the maximum amount that would not render BAC's obligations subject to avoidance under applicable fraudulent conveyance, fraudulent transfer or similar provisions of the United States Bankruptcy Code or any comparable provision of U.S. state law.

Any demand upon BAC hereunder with respect to this Guarantee shall be made by the relevant Holder by the giving of written notice of such demand to BAC at Bank of America Corporation, Bank of America Corporate Center, Attention: Corporate Treasury - Global Funding Transaction Management, NC1-007-06-10, 100 North Tryon Street, Charlotte, North Carolina 28255-0065, U.S.A., with a copy sent to BAC at Bank of America Corporation, Legal Department, Attention: General Counsel, NC1-027-18-05, 150 North College Street, Charlotte, North Carolina 28255-0065, U.S.A.; provided, however, that delay in making such demand shall in no event affect BAC's obligations under this Guarantee.

BAC hereby represents and warrants to the Holders of the Notes that this Guarantee constitutes the valid and binding obligation of BAC and is enforceable in accordance with its terms.

This Guarantee shall not be valid or become obligatory for any purpose with respect to any Note until the Global Note or the Individual Note Certificate, as applicable, shall have been authenticated and delivered as provided in the New York Law Agency Agreement.

Terms and expressions defined in the applicable Conditions of the Notes shall have the same meanings when used in this Guarantee, except where the context otherwise requires.

This Guarantee may be terminated at any time by written notice by BAC to the Issuer, and shall be effective upon receipt of such notice by the Issuer or such later date as may be specified in such notice; provided, however, that notwithstanding any such termination, this Guarantee shall continue in full force and effect with respect to any payment obligations of the Issuer under any Notes covered by this Guarantee already in issue at the date of such termination being effective.

This Guarantee will terminate upon the merger of the Issuer with and into BAC.

This Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made and to be performed in the State of New York.

This Guarantee shall expire and is no longer effective once all amounts payable on or in respect of the Notes have been paid in full.

IN WITNESS WHEREOF, BAC has caused this Guarantee to be executed in its corporate name by its duly authorized representative effective as of May 13, 2022.

BANK OF AMERICA CORPORATION

By: _____

Name: _____

Title: _____

BOOK-ENTRY CLEARING SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear, Clearstream or Luxembourg, Clearstream, (together, the "**Book-Entry Clearing Systems**") currently in effect. Investors wishing to use the facilities of any of the Book-Entry Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Book-Entry Clearing System. None of the relevant Issuer, the Guarantor and any agent party to the Agency Agreements will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Instruments held through the facilities of any Book-Entry Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

Book-Entry Systems

DTC

The following is based on information furnished to MLBV and MLICo. by DTC:

DTC is a limited-purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerised book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organisations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). The DTC rules applicable to its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com. Information on that website is not included or incorporated by reference herein.

Purchases of Rule 144A Global Instruments held under the DTC system ("**DTC Instruments**") must be made by or through Direct Participants, which will receive a credit for the DTC Instruments on DTC's records. The ownership interest of each actual purchaser of each DTC Warrant ("**Beneficial Owner**"), is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Instruments are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Instruments, except in the event that use of the book-entry system for the DTC Instruments is discontinued or as may otherwise be described in such DTC Instruments.

To facilitate subsequent transfers, all DTC Instruments deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorised representative of DTC. The deposit of DTC Warrants with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Instruments; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Instruments are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Warrants unless authorised by a Direct Participant in accordance with DTC's Money Market Instrument ("**MMI**") Procedures. Under its usual procedures, DTC mails an omnibus proxy to the relevant Issuer as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Warrants are credited on the record date (identified in a listing attached to the omnibus proxy).

Cash payments on the DTC Warrants will be made by Cede &Co., or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the relevant Issuer, on the applicable payment date in accordance with their respective holdings shown on DTC's records. Payments by participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of those participants and not DTC or its nominee, the relevant Issuer, the U.S. Instrument Agent or any other agent or party, subject to any statutory or regulatory requirements that may be in effect from time to time. Payments to Cede & Co. (or such other nominee as may be requested by an authorised representative of DTC) is the responsibility of the relevant Issuer. Disbursement of the payments to Direct Participants is the responsibility of DTC, and disbursements of the payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the DTC Instruments at any time by giving reasonable notice to the relevant Issuer. Under such circumstances, in the event that a successor depository is not obtained, the relevant Issuer will print and deliver individual instrument certificates.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that MLBV and MLICo. believe to be reliable, but they take no responsibility for the accuracy thereof.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

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

Book-Entry Ownership of and Payments in respect of DTC Instruments

If a Rule 144A Global Instrument is to be registered in the name of a nominee of DTC, the relevant Issuer will apply to DTC in order to have the Instruments represented by such Rule 144A Global Instrument accepted in its book-entry settlement system. Upon the issue of any Rule 144A Global Instrument to be held through DTC, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Rule 144A Global Instrument

to the accounts of persons who have accounts with DTC. Ownership of beneficial interests in any such Rule 144A Global Instrument will be limited to Direct Participants or Indirect Participants, including the respective depositaries of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in any such Rule 144A Global Instrument held through DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars in respect of a Rule 144A Global Instrument registered in the name of DTC's nominee will be made to the order of such nominee as the registered holder of such Instrument. In the case of any payment in a currency other than U.S. dollars, payment will be made to the relevant Paying Agents or W&C Instrument Agents, as applicable, on behalf of DTC's nominee and the relevant Paying Agents or W&C Instrument Agents, as applicable, will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Rule 144A Global Instrument held through DTC in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable participants' account.

The relevant Issuers expect DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The relevant Issuers also expect that payments by participants to Beneficial Owners of Instruments will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such participant and not the responsibility of DTC, the relevant Paying Agents or W&C Instrument Agents, as applicable, or the relevant Issuers. Payments on Instruments to DTC are the responsibility of the relevant Issuer.

Transfers of Instruments Represented by Global Instruments

Transfers of any interests in Instruments represented by a Global Instrument within DTC or a Global Instrument within Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Instruments represented by a Global Instrument to such persons may depend upon the ability to exchange such Instruments for Instruments in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Instruments represented by a Global Instrument to pledge such Instruments to persons or entities that do not participate in the DTC system or to otherwise take action in respect of such Instruments may depend upon the ability to exchange such Instruments for Instruments in definitive form. The ability of any person having a beneficial interest in Instruments represented by a Global Instrument to resell, pledge or otherwise transfer such Instruments may be impaired if the proposed transferee of such Instruments is not eligible to hold such Instruments through a Direct or Indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Rule 144A Global Instruments and Regulation S/Rule 144A Global Instruments described under "Notice to Purchasers and Holders of Instruments and Transfer Restrictions", cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear, Clearstream, Luxembourg accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the relevant Paying Agent or W&C Instrument Agent, as applicable, and any custodian ("**Custodian**") with whom the relevant Global Instruments have been deposited.

On or after the Issue Date for any Instruments, transfers of such Instruments between accountholders in Euroclear and Clearstream, Luxembourg and transfers of such Instruments between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear, Clearstream, Luxembourg and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear, Clearstream, Luxembourg, on the other, transfers of interests in the relevant Global Instruments will be effected through the relevant Paying

Agent or W&C Instrument Agent, as applicable, and the custodian receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear, Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The Instruments will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Euroclear and Clearstream, Luxembourg have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Instruments among participants and accountholders of DTC, Euroclear and Clearstream, Luxembourg. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, the Guarantor, the Paying Agents or W&C Instrument Agents, as applicable, and any Dealer will be responsible for any performance by DTC, Euroclear or Clearstream, Luxembourg or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Instruments represented by Global Instruments, or for maintaining, supervising or reviewing any records relating to such beneficial interests.

NOTICE TO PURCHASERS AND HOLDERS OF INSTRUMENTS AND TRANSFER RESTRICTIONS

As a result of the following restrictions, purchasers of Instruments are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Instruments.

Notes issued by BAC and BofA Finance

None of the Notes issued by BAC, the Notes issued by BofA Finance, the BofA Finance Guarantee nor, in certain cases, any securities to be delivered upon exercise or settlement of such Notes, have been, or will be, registered under the Securities Act of 1933, as amended (the "**Securities Act**") or under any U.S. state securities laws. The Notes issued by BAC or BofA Finance and the BofA Finance Guarantee may not be offered, sold, resold, traded, pledged, redeemed, transferred or delivered, directly or indirectly, within the United States of America (including the U.S. states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction (the "**United States**") or to, or for the account or benefit of, U.S. persons (as defined by Regulation S ("**Regulation S**") under the Securities Act) (other than distributors) except in accordance with Regulation S under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Notes issued by BAC or BofA Finance, the BofA Finance Guarantee nor certain Entitlements constitute, or have been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**"), and trading in such Notes or the BofA Finance Guarantee has not been approved by the U.S. Commodity Futures Trading Commission (the "**CFTC**") pursuant to the CEA.

Any person purchasing Notes issued by BAC or BofA Finance will be deemed on purchase to represent, acknowledge, certify and agree with the relevant Issuer, the Guarantor (if applicable), the Dealer (together with their respective affiliates and any persons controlling, controlled by or under common control with the relevant Issuer, the Guarantor (if applicable) or such Dealer) or the seller of such Notes for itself and any person for whose account such Notes are being purchased that:

(i) if prior to the expiration of the Distribution Compliance Period (as defined in "Offering and Sale" of this Offering Circular), it is not a US. Person, is not located within the United States and is acquiring the Notes issued by BAC or BofA Finance, as applicable, in an offshore transaction (as such term is defined in Regulation S) in compliance with Regulation S;

(ii) it will not at any time offer, sell, resell, trade, pledge, exercise, transfer or deliver, directly or indirectly, any Notes issued by BAC or BofA Finance, as applicable, or to, or for the account or benefit of, any U.S. person (other than distributors (as defined in Regulation S)) except in accordance with Regulation S under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(iii) it acknowledges that the Global Notes issued by BAC will bear a legend substantially to the following effect unless otherwise agreed to by the Issuer:

"THIS GLOBAL REGISTERED NOTE, AND IN CERTAIN CASES, THE ENTITLEMENTS TO BE DELIVERED UPON REDEMPTION OF THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS. NEITHER THIS GLOBAL REGISTERED NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, RESOLD, TRADED, PLEDGED, REDEEMED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA (INCLUDING THE STATES AND THE DISTRICT OF COLUMBIA), ITS TERRITORIES, ITS POSSESSIONS AND OTHER AREAS SUBJECT TO ITS JURISDICTION OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (AS DEFINED UNDER REGULATION S UNDER THE SECURITIES ACT) (OTHER THAN DISTRIBUTORS) UNLESS THE NOTES REPRESENTED BY THIS GLOBAL REGISTERED NOTE ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.

THIS REGISTERED GLOBAL NOTE IS NOT A SAVINGS ACCOUNT OR A DEPOSIT, IS NOT AN OBLIGATION OF, OR GUARANTEED BY BANK OF AMERICA, N.A. OR ANY OTHER BANKING OR NONBANKING AFFILIATE OF BANK OF AMERICA CORPORATION AND IS NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION, THE DEPOSIT INSURANCE FUND OR ANY OTHER INSURER OR GOVERNMENTAL AGENCY OR INSTRUMENTALITY.";

(iv) it acknowledges that the Global Notes issued by BofA Finance will bear a legend substantially to the following effect unless otherwise agreed to by the Issuer:

"THIS GLOBAL REGISTERED NOTE AND THE GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS. NONE OF THIS GLOBAL REGISTERED NOTE, THE GUARANTEE, NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, RESOLD, TRADED, PLEDGED, REDEEMED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA (INCLUDING THE STATES AND THE DISTRICT OF COLUMBIA), ITS TERRITORIES, ITS POSSESSIONS AND OTHER AREAS SUBJECT TO ITS JURISDICTION OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (AS DEFINED UNDER REGULATION S UNDER THE SECURITIES ACT) (OTHER THAN DISTRIBUTORS) UNLESS THE NOTES REPRESENTED BY THIS GLOBAL REGISTERED NOTE AND THE GUARANTEE ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.

THIS REGISTERED GLOBAL NOTE AND THE GUARANTEE IS NOT A SAVINGS ACCOUNT OR A DEPOSIT, IS NOT AN OBLIGATION OF, OR GUARANTEED BY BANK OF AMERICA, N.A. OR ANY OTHER BANKING OR NONBANKING AFFILIATE OF BANK OF AMERICA CORPORATION AND IS NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION, THE DEPOSIT INSURANCE FUND OR ANY OTHER INSURER OR GOVERNMENTAL AGENCY OR INSTRUMENTALITY.";

(v) that the relevant Issuer, the Guarantor (if applicable) and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer and the Guarantor, as applicable; and if it is acquiring any Notes issued by BAC or BofA Finance, as applicable, as a fiduciary or agent for one or more accounts or ultimate purchasers it represents that it has all requisite agency and discretion investment power with respect to such accounts or ultimate purchasers, and that the foregoing acknowledgements, representations and warranties are true and correct as they apply to each of such accounts or ultimate purchasers at the time the commitment to purchase is undertaken;

(vi) it understands that the Notes issued by BAC or BofA Finance may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), or any individual retirement account or plan subject to Section 4975 of the Internal Revenue Code ("**Code**"), or any other law or regulation including fiduciary responsibility or prohibited transaction provisions similar to those of Title I of ERISA or Section 4975 ("**Similar Laws**"), or by any entity whose underlying assets include "plan assets" within the meaning of Section 3(42) of ERISA by reason of any such employee benefit plan's account's or plan investment therein; and

(vii) it acknowledges that the Global Notes issued by BAC or BofA Finance will bear a legend substantially to the following effect unless otherwise agreed to by BAC or BofA Finance:

"THE INVESTOR SHALL BE DEEMED TO REPRESENT BY ITS ACQUISITION AND HOLDING OF ANY INTEREST IN THIS GLOBAL REGISTERED NOTE THAT IT IS NOT ACQUIRING THE NOTE WITH THE ASSETS OF ANY EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE 1 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 ("ERISA"), ANY INDIVIDUAL

RETIREMENT ACCOUNT OR PLAN SUBJECT TO SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR SIMILAR LAWS, OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF SECTION 3(42) OF ERISA BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S, ACCOUNT'S OR PLAN'S INVESTMENT THEREIN; AND

EACH INVESTOR AND SUBSEQUENT TRANSFEREE INVESTOR THAT IS, OR THAT IS ACQUIRING OR HOLDING ANY INTEREST IN THIS GLOBAL REGISTERED NOTE WITH THE ASSETS OF, A PLAN SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OR ANY SIMILAR LAWS ("PLAN") WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT IT IS REPRESENTED BY A FIDUCIARY INDEPENDENT OF BAC [OR BOFA FINANCE] WHO (I) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO THE PROSPECTIVE INVESTMENT IN THE NOTES, (II) HAS EXERCISED INDEPENDENT JUDGEMENT IN EVALUATING WHETHER TO INVEST THE ASSETS OF SUCH PLAN IN THE NOTES, AND (III) UNDERSTANDS AND ACKNOWLEDGES (A) THAT NEITHER BAC[, BOFA FINANCE] NOR ANY OF [ITS]/[THEIR] AFFILIATES, HAS AND NEITHER WILL UNDERTAKE TO PROVIDE IMPARTIAL INVESTMENT ADVICE, OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASE AND HOLDING OF THE NOTES AND (B) [NEITHER BAC NOR BOFA FINANCE HAS] / [BAC DOES NOT HAVE] ANY FINANCIAL INTEREST IN ANY PLAN'S PURCHASE AND HOLDING OF THE NOTES, WHICH INTEREST MAY CONFLICT WITH THE INTEREST OF THE PLAN."

Notes issued by MLBV and W&C Instruments

Restrictions on transfer of all Notes issued by MLBV and W&C Instruments

None of the Notes of any Series issued by MLBV, the W&C Instruments of any Series, (if applicable) the MLBV/MLICo. Guarantee and, in certain cases, the securities to be delivered upon exercise or settlement of such Notes or W&C Instruments have been, or will be, registered under the Securities Act or under any U.S. state securities laws. The Notes of any Series issued by MLBV, the W&C Instruments of any Series, (if applicable) the MLBV/MLICo. Guarantee and certain Entitlements do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the CEA, and trading in such Notes issued by MLBV or the W&C Instruments has not been approved by the CFTC pursuant to the CEA. None of MLICo., MLBV, nor the Guarantor is registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**").

The Notes issued by MLBV and the W&C Instruments may not be legally or beneficially owned by any U.S. person nor offered, sold, resold, traded, pledged, exercised, transferred or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined herein) except, in the case of Rule 144A Instruments, in private transactions in reliance on Rule 144A ("**Rule 144A**") under the Securities Act to "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A and who are also each a "qualified purchaser" (each a "**QP**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the 1940 Act and the rules thereunder, and who, as a condition to purchasing such Instruments shall enter into and remain in compliance with an Investor Representation Letter for the benefit of the Dealer, the relevant Issuer and the Guarantor (together with their respective affiliates and any persons controlling, controlled by or under common control with such Dealer, Issuer or Guarantor) ("**Investor Representation Letter**"). Consequently, except in the case of Rule 144A Instruments, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery of any Notes issued by MLBV or W&C Instruments made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. Any reoffers, resales, trades, pledges, transfers or deliveries of such Instruments, or any part thereof, offered and sold in reliance on Rule 144A will only be made in the United States and to, or for the account or benefit of, a U.S. person that is a QIB who also is a QP, and who, as a condition to any such reoffer, resale, trade, pledge, transfer or delivery, will enter into and remain in compliance with an Investor Representation Letter.

Notes issued by MLBV and W&C Instruments relating to commodities and commodities futures may only be offered, sold or resold in the United States or to, or for the account or benefit of, a U.S. person pursuant to one or more exemptions and/or exclusions under the CEA. MLICo., MLBV and the Guarantor reserve the right not to make payment or delivery in respect of such Rule 144A Instruments to a person in the United States or a U.S. person if such payment or delivery would constitute a violation of U.S. law.

Notes issued by MLBV and W&C Instruments may be offered and sold to non-U.S. persons (including dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners (other than an estate or trust)), in offshore transactions (as defined by Regulation S) pursuant to Regulation S. Any reoffers, resales, trades, pledges, transfers or deliveries of the Notes issued by MLBV or the W&C Instruments, or any part thereof, offered and sold pursuant to Regulation S will only be made outside the United States and to, or for the account or benefit of, a non-U.S. person in accordance with Regulation S.

The Notes issued by MLBV and W&C Instruments may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of ERISA, or any individual retirement account or plan subject to Section 4975 of Code or any Similar Laws, or by any entity whose underlying assets include "plan assets" within the meaning of Section 3(42) of ERISA by reason of any such employee benefit plan's, account's or plan's investment therein.

Each purchaser of Notes issued by MLBV and W&C Instruments acknowledges that the relevant Global Notes representing such Notes, the Global Warrants and/or Global Certificates will bear a legend substantially to the following effect unless otherwise agreed to by the Issuer:

> "THE INVESTOR SHALL BE DEEMED TO REPRESENT BY ITS ACQUISITION AND HOLDING OF ANY INTEREST HEREIN THAT IT IS NOT ACQUIRING THIS [REGISTERED GLOBAL NOTE]/[GLOBAL WARRANT]/[GLOBAL CERTIFICATE] WITH THE ASSETS OF ANY EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE 1 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 ("**ERISA**"), ANY INDIVIDUAL RETIREMENT ACCOUNT OR PLAN SUBJECT TO SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR ANY SIMILAR LAWS, OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF SECTION 3(42) OF ERISA BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S, ACCOUNT'S OR PLAN'S INVESTMENT THEREIN; AND
>
> EACH INVESTOR AND SUBSEQUENT TRANSFEREE INVESTOR THAT IS, OR THAT IS ACQUIRING OR HOLDING THE [NOTES]/[WARRANTS]/[CERTIFICATES] WITH THE ASSETS OF, A PLAN SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OR ANY SIMILAR LAWS (A "**PLAN**") WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT IT IS REPRESENTED BY A FIDUCIARY INDEPENDENT OF [MLBV]/[MLICO.] WHO (I) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO THE PROSPECTIVE INVESTMENT IN THE [NOTES]/[WARRANTS]/[CERTIFICATES], (II) HAS EXERCISED INDEPENDENT JUDGEMENT IN EVALUATING WHETHER TO INVEST THE ASSETS OF SUCH PLAN IN THE [NOTES]/[WARRANTS]/[CERTIFICATES], AND (III) UNDERSTANDS AND ACKNOWLEDGES (A) THAT NEITHER [MLBV]/[MLICO.] NOR ANY OF ITS AFFILIATES, HAS AND NEITHER WILL UNDERTAKE TO PROVIDE IMPARTIAL INVESTMENT ADVICE, OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASE AND HOLDING OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] AND (B) [MLBV] [MLICO.] HAS NO FINANCIAL INTEREST IN ANY PLAN'S PURCHASE AND HOLDING OF THE [NOTES]/[WARRANTS]/[CERTIFICATES], WHICH INTEREST MAY CONFLICT WITH THE INTEREST OF THE PLAN."

Instruments issued by MLBV and MLICo. other than Rule 144A Instruments and Regulation S/Rule 144A Global Instruments (and Definitive Registered Instruments Issued in Exchange Therefor)

Each purchaser of Instruments issued by MLBV and MLICo. (other than a Series of Rule 144A Instruments or Regulation S/Rule 144A Global Instruments (and Definitive Registered Instruments

issued in exchange therefor), for itself and on behalf of any investor accounts for which it is acting as a fiduciary or agent, each of which such purchaser has the authority and sole investment discretion with respect thereto, will be deemed on purchase to represent, acknowledge, certify and agree with the relevant Issuer, the Guarantor, the Dealer (together with their respective affiliates and any persons controlling, controlled by or under common control with the relevant Issuer, the Guarantor or such Dealer) or the seller of such Instruments for itself and any person for whose account such Instruments are being purchased that:

(i) it is not a U.S. person, is not located in the United States and is acquiring the Instruments in an offshore transaction in compliance with Regulation S;

(ii) it will not at any time offer, sell, resell, trade, pledge, exercise, transfer or deliver, directly or indirectly, any Instruments of such Series so purchased in the United States or to, or for the account or benefit of, any U.S. person (other than distributors (as defined in Regulation S)) or to others for offer, sale, resale, trade, pledge, exercise, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (other than distributors);

(iii) it is not purchasing any Instruments of such Series for the account or benefit of any U.S. person (other than distributors);

(iv) Prior to the delivery of any Entitlement in respect of an Instrument settled by physical delivery (a "**Physical Delivery Instrument**)", the holder thereof will be required to represent that, *inter alia*, it is not a U.S. person, the Instrument was not exercised on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof;

(v) it will not make offers, sales, re-sales, trades, pledges, exercises, transfers or deliveries of any Instruments of such Series (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (other than distributors). It and any future purchaser acknowledge that each Global Instrument other than a Rule 144A Instrument or a Regulation S/Rule 144A Global Instrument will contain a legend substantially to the following effect:

Instruments other than Rule 144A Instruments and Regulation S/Rule 144A Global Instruments

"THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS [INDIVIDUAL [NOTE]/[CERTIFICATE]]/[GLOBAL INSTRUMENT], (IN RESPECT OF [NOTES]/[WARRANTS]/[CERTIFICATES] WHICH ARE NOT SECURED INSTRUMENTS) THE GUARANTEE AND, IN CERTAIN CASES, THE SECURITIES TO BE DELIVERED UPON [REDEMPTION]/[EXERCISE OR SETTLEMENT] OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER SECURITIES LAWS, AND MAY NOT BE OFFERED, SOLD, TRADED, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, [OR EXERCISED]/[OR REDEEMED] EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR ANY OTHER SECURITIES LAWS. [MERRILL LYNCH INTERNATIONAL & CO. C.V.] [MERRILL LYNCH B.V.], THE ISSUER OF THE [NOTES]/[WARRANTS] [CERTIFICATES], HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**1940 ACT**"). THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF ANY U.S. PERSON (AS DEFINED HEREIN).

THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS [INDIVIDUAL [NOTE]/[CERTIFICATE]]/[GLOBAL INSTRUMENT] MAY NOT BE OFFERED, SOLD, RESOLD, TRADED, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, [OR EXERCISED]/[OR REDEEMED] EXCEPT TO A

PERSON WHO IS NOT A U.S. PERSON AND WHO IS ACQUIRING THE [NOTES]/[WARRANTS]/[CERTIFICATES] IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT. FOR THE PURPOSES HEREOF, "**U.S. PERSON**" HAS THE MEANING ASCRIBED TO IT BY REGULATION S UNDER THE SECURITIES ACT. EACH HOLDER [OF A BENEFICIAL INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT] SHALL BE DEEMED TO HAVE REPRESENTED WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH SUCH ACCOUNT SATISFIES THE REQUIREMENTS SET FORTH IN THE PRECEDING SENTENCE AND ANY OFFER, SALE, RESALE, TRADE, PLEDGE, ASSIGNMENT, DELIVERY OR OTHER TRANSFER, [OR EXERCISE]/[OR REDEMPTION] OF ITS INTEREST IN SUCH [NOTES]/[WARRANTS]/[CERTIFICATES] MAY ONLY BE MADE TO A PERSON SATISFYING THE REQUIREMENTS IN THE PRECEDING SENTENCE. CONSEQUENTLY, ANY OFFER, SALE, RESALE, TRADE, PLEDGE, ASSIGNMENT, DELIVERY, TRANSFER, EXERCISE OR REDEMPTION MADE, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A "**DISQUALIFIED TRANSFEREE**") AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF SUCH TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

THE [NOTES]/[WARRANTS]/[CERTIFICATES] AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR OFFERS, SALES, RESALES, TRADES, PLEDGES, ASSIGNMENTS, DELIVERIES AND OTHER TRANSFERS, [OR EXERCISES]/[OR REDEMPTIONS] OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE OFFER, SALE, RESALE, TRADE, PLEDGE, ASSIGNMENT, DELIVERY OR TRANSFER, [OR EXERCISE]/[OR REDEMPTION] OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF A [NOTE]/[WARRANT]/[CERTIFICATE], THE PURCHASER THEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT";

(vi) in the case of Warrants, that it will not engage in any hedging transactions with respect to the Warrants unless in compliance with the Securities Act; and

(vii) that the relevant Issuer, the Guarantor and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer and the Guarantor; and if it is acquiring any such Instruments as a fiduciary or agent for one or more accounts or ultimate purchasers it represents that it has all requisite agency and discretion investment power with respect to such accounts or ultimate purchasers, and that the foregoing acknowledgements, representations and warranties are true and correct as they apply to each of such accounts or ultimate purchasers at the time the commitment to purchase is undertaken.

Rule 144A Instruments and Regulation S/Rule 144A Global Instruments, and Definitive Registered Instruments Issued in Exchange Therefor

Each purchaser of Rule 144A Global Instruments and Regulation S/Rule 144A Global Instruments, and Definitive Registered Instruments issued in exchange therefor, for itself and on behalf of any investor accounts for which it is acting as a fiduciary or agent, each of which such purchaser has the authority and sole investment discretion with respect thereto, will, in connection with its purchase of such Instruments, be required to acknowledge, represent and agree, or by its acquisition or purchase of such Instruments be deemed to have acknowledged, represented and agreed, with the relevant Issuer, the Guarantor and the Dealer (together with their respective affiliates and any persons controlling, controlled by or under common control with the relevant Issuer, the Guarantor or such Dealer), substantially to the following

effect (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein) together with, to the extent not set forth below, the acknowledgements, representations and agreements made by such purchaser pursuant to the Investor Representation Letter (substantially in the form of Schedule 15 to the English Law Agency Agreement) executed and delivered in connection with the purchase of Rule 144A Instruments:

(i) that either:

(A) in the case of exchange, sale or transfer of an Instrument issued by MLICo. or MLBV, as applicable, in the United States or to, or for the account or benefit of, a U.S. person who takes delivery in the form of Instruments represented by a Rule 144A Instrument or a Regulation S/Rule 144A Global Instrument,

(1) it is a QIB and a QP (a "**QIB/QP**") purchasing for its own account or the account of a QIB/QP;

(2) it is not a dealer as described in Rule 144A(a)(1)(ii) that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer;

(3) it is not a plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan, such as a participant-directed 401(k) plan;

(4) if it is an investment company excepted from the 1940 Act pursuant to Section 3(c)(1) or Section 3(c)(7) thereof (or a foreign investment company under Section 7(d) thereof relying on Section 3(c)(1) or Section 3(c)(7) thereof with respect to its U.S. holders) and was formed on or before 30 April 1996, it has received the consent of those of its beneficial owners who acquired their interests on or before 30 April 1996 with respect to its treatment as a QP in the manner required by Section 2(a)(51)(C) of the 1940 Act and the rules thereunder;

(5) it is purchasing the Instruments for its own account or for the accounts of one or more persons, each of whom meets the requirements of this paragraph (i)(A);

(6) it was not formed, reformed or recapitalised for the purpose of investing in the Instruments or other securities of the relevant Issuer unless each of its beneficial owners is both a QIB and QP who was not so formed;

(7) it has not invested more than 40% of its assets in the Instruments and/or other securities of the relevant Issuer after giving effect to the purchase of the Instruments unless each of its beneficial owners is both a QIB and QP;

(8) it is not a partnership, common trust fund or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investment to be made, or the allocation thereof, unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both QIBs and QPs;

(9) it and each account for which it is purchasing or otherwise acquiring the Instruments (or any beneficial interest therein), must subscribe for, hold and transfer a minimum number of Instruments valued in an amount of at least U.S.$100,000 (or its equivalent in any other currency);

(10) unless both (I) it represents that its purchase, holding and disposition of any Instruments are eligible for exemptive relief under or are otherwise not prohibited by Section 406 of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and Section 4975 of the Code (or any substantially similar U.S. federal, state, local or non-U.S. law) and (II) an opinion of counsel or other comfort satisfactory to the relevant Issuer and the Guarantor is delivered

to the relevant Issuer and the Guarantor which affirms that none of the acquisition, purchase or holding of any Instrument would cause any assets of the relevant Issuer to be treated as "plan assets" for the purposes of ERISA or any regulation or guidance thereunder (or any substantially similar U.S. federal, state, local or non-U.S. law), it is not, and is not a fiduciary investing assets of or on behalf of, (i) an employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA; (ii) a plan (as defined in Section 4975(e)(1) of the Code) that is subject to section 4975 of the Code; (iii) an entity whose assets include assets of a plan described in (i) or (ii) above by reason of such a plan's investment in the entity under 29 C.F.R. §2510.3-101 as modified by Section 3(42) of ERISA or otherwise; or (iv) a governmental, church or non-U.S. plan that is subject to any U.S. federal, state, local or non-U.S. law that is substantially similar to Section 406 of ERISA or Section 4975 of the Code;

(11) it understands that the relevant Issuer from time to time may receive a list of participants holding positions in its Instruments from one or more book-entry depositories, including DTC, Euroclear or Clearstream, Luxembourg; and

(12) it will provide notice of applicable transfer restrictions to any subsequent transferees and any such transferee shall concurrently with its purchase execute and deliver, and remain in compliance with, an Investor Representation Letter; or

(B) it is outside the United States and is not a U.S. person and is acquiring the Instruments in an offshore transaction in compliance with Regulation S;

(ii) its acquisition of and payment for any Instruments do not violate or conflict with any applicable law, any provisions of its constitutional documents, any regulation, order, judgment or decree of any court or other administrative or governmental agency applicable to it or any of its assets, or any contractual restriction binding on or affecting it or any of its assets; and no consent, approval, authorisation or order of any court or administrative or governmental authority or agency is required for it to purchase the Instruments;

(iii) if purchasing for allocation to one or more accounts or ultimate purchasers, it is acting as the duly authorised agent and/or the advisor with discretionary investment authority for such accounts or ultimate purchasers; it has all requisite agency or discretionary investment power and authority to enter into the Investor Representation Letter on behalf of such accounts or ultimate purchasers, and that the acknowledgements, representations and warranties made herein and therein are true and correct as they apply to each of such accounts or ultimate purchasers at the time the commitment to purchase is undertaken;

(iv) it has received copies of this Offering Circular, the Final Terms and any other information as it deems necessary in order to make its investment decision (or it was afforded the opportunity to obtain such documents and information and has not taken the opportunity to do so);

(v) (a) it has valid business purposes in purchasing the Instruments, including managing the risks of its portfolio, and (b) the relevant Issuer and the Guarantor have provided it with an opportunity to inquire concerning the terms of the Instruments and it has concluded (if necessary, in conjunction with its own legal, tax, accounting, regulatory, investment and other professional advisors) that its investment in the Instruments is suitable in light of its own investment objectives, financial capabilities and expertise;

(vi) it understands that the investment in the Instruments is subject to a high degree of complex risks which may arise without warning, may at times be volatile, and that losses may occur quickly and in unanticipated magnitude and may result in a loss of the entire investment;

(vii) the Instruments that are not Secured Instruments are unsecured and unsubordinated obligations of the relevant Issuer; the Instruments that are Secured Instruments are unsubordinated obligations of the relevant Issuer, secured in respect of the relevant Collateral Assets; and (if applicable) the MLBV/MLICo. Guarantee is an unsecured and unsubordinated obligation of the Guarantor; the Instruments are subject to the credit risk of the relevant Issuer and the Guarantor and (if applicable) the MLBV/MLICo. Guarantee is subject to the credit risk of the Guarantor;

and neither the Instruments nor (if applicable) the MLBV/MLICo. Guarantee will have the protection of any insurance scheme in any jurisdiction;

(viii) none of the relevant Issuer, the Guarantor, the Dealer and any of their respective affiliates is making, or has made, any representation to it with respect to the merits of an investment in the Instruments;

(ix) that it has relied on publicly available information concerning the Reference Items and that in issuing the Instruments, none of the relevant Issuer, the Guarantor and any of their respective affiliates (i) has acted as a fiduciary of, or advisor to it, or provided any information to it, regarding the financial condition of the Reference Items, including the creditworthiness thereof, or any credit ratings applicable to the Reference Items, (ii) has made diligence inquiries with respect to such matters, or (iii) makes any representation as to the accuracy or adequacy of any publicly-available information with respect to the Reference Items; and the sale of the Instruments to it is not a recommendation or investment advice by the relevant Issuer, the Guarantor or any of their respective affiliates to purchase the Instruments;

(x) if purchasing Instruments which have been issued prior to the purchaser's date of purchase which the Dealer (or any affiliate or subsidiary of the Dealer) has been holding from time to time on its own account ("**Inventory Securities**"), it acknowledges and accepts that (a) disclosure in relation to the Reference Items may be out of date and none of the relevant Issuer, the Guarantor, the Dealer and any of their respective affiliates shall provide any updated information thereon, and (b) any sale of the Inventory Securities shall not, under any circumstances, create any implication whatsoever that there has been no change in the situation or condition of the relevant Issuer or the Guarantor, or no change in the Reference Items since the date of the applicable Final Terms, which might have an adverse effect on the pay-out and/or value of the relevant Inventory Securities;

(xi) each of the relevant Issuer, the Guarantor and any of their respective affiliates may have business relationships with the issuers of the Reference Items and that, in the course of such relationships, the relevant Issuer, the Guarantor or any of their respective affiliates may at the date hereof or at any time hereafter come into possession of material, non-public information regarding the issuers of the Reference Items; such information could be either favourable or unfavourable with respect to the issuers of the Reference Items and, if known to it, might change its view of the merits of an investment in the Instruments; the Instruments do not create any obligation on the part of the relevant Issuer, the Guarantor or any of their respective affiliates to disclose any such business relationships or information (whether or not confidential); it would not be proper for the relevant Issuer, the Guarantor or any of their respective affiliates to inform any purchaser of the Instruments either of the nature of or the fact that they were in possession of any such knowledge; and none of the relevant Issuer, the Guarantor, and any of their respective affiliates shall be liable to it by reason of any such non-disclosure;

(xii) it understands that the relevant Issuer, the Guarantor and any of their respective affiliates may from time to time engage in business, directly or indirectly, with the issuers of the Reference Items, including extending loans to, or making equity investments in, such issuer or providing depository services, investment banking or investment advisory services to such issuer, including merger and acquisition advisory services; that affiliates of the relevant Issuer and the Guarantor may publish research reports with respect to such issuer of the Reference Items that at or after the time of sale of the Instruments may contain negative views on the issuer of the Reference Items, and may recommend that investors sell shares of the issuer of the Reference Items held by them; and that in selling Instruments to it, none of the relevant Issuer, the Guarantor and any of their respective affiliates undertakes any obligation to take into consideration its interests as a holder of Instruments in the course of their business dealings with the issuer of the Reference Items or in connection with the issuance of research reports;

(xiii) it does not have, at the time it purchases or receives the Instruments or at the time it resells, transfers or (if applicable) exercises the Instruments, any material, non-public information regarding the relevant issuer of the Reference Items, if any;

(xiv) it is not:

(A) a country, territory, individual or entity named on any publicly available list of known or suspected terrorists, terrorist organisations or other sanctioned persons or entities, or an individual or entity that resides or has a place of business in a country or territory named on such lists, issued by the U.S. government, including, without limitation, those lists administered by the U.S. Office of Foreign Assets Control, and the undersigned has established procedures to identify clients on such lists; or

(B) a "Foreign Shell Bank" as defined in the U.S. Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "**USA Patriot Act**"), a foreign bank operating under an "Offshore Banking License" (as defined in the USA Patriot Act), a foreign bank operating in a non-cooperative Financial Action Task Force jurisdiction, or a foreign bank operating in an industry or jurisdiction designated as of primary money laundering concern by the U.S. Secretary of the Treasury;

(xv) it intends to acquire and hold the Instruments for its own account or for allocation to one or more accounts or ultimate purchasers and not with a view to distribute, resale or transfer the Instruments;

(xvi) it understands and acknowledges that neither the relevant Issuer nor the Guarantor has been registered or will be registered as an investment company under the 1940 Act and the Rule 144A Instruments are being sold to it in accordance with the requirements of Section 3(c)(7) of the 1940 Act;

(xvii) it is not acting with the intention of evading, either alone or in conjunction with any other person, the requirements of the Securities Act or the 1940 Act;

(xviii) it is aware that the sale of the Instruments and (if applicable) the MLBV/MLICo. Guarantee have not been registered under the Securities Act or any other applicable securities law, are being offered for sale in transactions not requiring registration under the Securities Act or any other securities laws, including, in the case of Rule 144A Instruments, sales pursuant to Rule 144A, and may not be offered, sold or otherwise transferred except in compliance with the conditions for transfer set forth in paragraph (xxiii) below;

(xix) it understands and acknowledges that none of the Instruments, (if applicable) the MLBV/MLICo. Guarantee and certain of the Reference Items constitute, or have been marketed as, a contract of sale of a commodity for future delivery (or options thereon) subject to the CEA, and trading in the Instruments has not been and will not be approved by the CFTC under the CEA;

(xx) it agrees that the Instruments guaranteed by the Guarantor are not secured by any interest in any property or assets of any kind whatsoever, that the purchaser does not acquire any interest in or right to acquire, or rights associated with holding any Reference Item (including voting rights, if any) by virtue of holding any such Instrument, that neither the relevant Issuer nor the Guarantor or any entity acting for the relevant Issuer or the Guarantor is obliged to hold or sell the relevant Reference Item, and that this disclaimer of any interest or claim to the relevant Reference Item (if any) is itself an integral term of such Instruments;

(xxi) that the market value of the Instruments linked to any Reference Item may be adversely affected by movements in the value of the Reference Item or in currency exchange rates;

(xxii) that the Cash Settlement Amount (if any) in respect of any Instrument may be less than its Issue Price;

(xxiii) that, if in the future it decides to reoffer, resell, trade, pledge or otherwise transfer or deliver the Instruments or any beneficial interests in the Instruments, it will do so, only (a) in the case of a transferor who is a U.S. person that is a QIB/QP, to a person in the United States or to, or for the account or benefit of, a U.S. person who meets the requirements of paragraph (i)(A) above, and in a transaction meeting the requirements of Rule 144A under the Securities Act to whom notice is given that the transfer is being made in reliance on Rule 144A, and who enters into and remains in compliance with an Investor Representation Letter or (b) in the case of a transferor

who is not a U.S. person, to a person that is not a U.S. person and that is acquiring the Instruments in an offshore transaction in compliance with Regulation S under the Securities Act;

(xxiv) in the case of Regulation S/Rule 144A Global Instruments, or Definitive Registered Instruments issued in exchange therefor, which were purchased in offshore transactions in accordance with Regulation S under the Securities Act, that prior to the delivery of the Entitlement in respect of a Physical Delivery Instrument (other than a Rule 144A Instrument) the holder thereof will be required to represent that, *inter alia*, he is not a U.S. person, the Warrant was not exercised on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or the account or benefit of, a U.S. person in connection with any exercise thereof;

(xxv) that Instruments initially offered exclusively (a) in the United States to QIBs/QPs or to, or for the account or benefit of, U.S. persons who are QIBs/QPs will be represented by one or more Rule 144A Instruments, and that Instruments initially offered (b) in the United States to QIBs/QPs or to, or for the account or benefit of, U.S. persons who are QIBs/QPs and concurrently outside the United States in reliance on Regulation S will be represented by one or more Regulation S/Rule 144A Global Instruments;

(xxvi) it agrees, and each subsequent holder of the Instruments by its acceptance thereof will agree or will be deemed to agree, to offer, sell, trade, pledge or otherwise transfer or deliver such Instruments, only pursuant to the representations, restrictions and agreements described in this Offering Circular and the legends following this paragraph. It and any future purchaser acknowledge that each such Global Instrument will contain a legend substantially to the following effect:

Rule 144A Global Instruments

"THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT, (IN RESPECT OF [NOTES]/[WARRANTS]/[CERTIFICATES] WHICH ARE NOT SECURED INSTRUMENTS) THE GUARANTEE AND, IN CERTAIN CASES, THE SECURITIES TO BE DELIVERED UPON [REDEMPTION]/[EXERCISE OR SETTLEMENT] OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER SECURITIES LAWS, AND MAY NOT BE OFFERED, SOLD, TRADED, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, [OR EXERCISED]/[OR REDEEMED] IN VIOLATION OF THE SECURITIES ACT OR ANY OTHER SECURITIES LAWS. [MERRILL LYNCH INTERNATIONAL & CO. C.V.] [MERRILL LYNCH B.V.], THE ISSUER OF THE [NOTES]/[WARRANTS]/[CERTIFICATES], HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**1940 ACT**").

THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT MAY NOT BE OFFERED, SOLD, REOFFERED, RESOLD, TRADED, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, [OR EXERCISED]/[OR REDEEMED] EXCEPT IN ACCORDANCE WITH THE CONDITIONS (AS DEFINED BELOW) AND THE ENGLISH LAW AGENCY AGREEMENT (AS DEFINED BELOW), AND IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT. A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND SHALL BE DELIVERED TO EACH PERSON TO WHOM [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT ARE TRANSFERRED BY THE TRANSFERRING HOLDER.

THE HOLDER OF ANY [NOTES]/[WARRANTS]/[CERTIFICATES], AND THE HOLDER OF ANY BENEFICIAL INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES], REPRESENTED BY THIS GLOBAL INSTRUMENT, AGREES BY ITS ACQUISITION HEREOF FOR THE BENEFIT OF THE DEALER, THE ISSUER AND THE GUARANTOR THAT ANY BENEFICIAL INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT MAY BE OFFERED, SOLD,

REOFFERED, RESOLD, TRADED, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, [OR EXERCISED]/[OR REDEEMED] ONLY TO OR THROUGH THE ISSUER OR THE DEALER (A) IN ACCORDANCE WITH THE CONDITIONS AND THE ENGLISH LAW AGENCY AGREEMENT, AND IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, AND (B) TO A PERSON IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED HEREIN) THAT (i) IS A "QUALIFIED INSTITUTIONAL BUYER" ("**QIB**") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT AND A "QUALIFIED PURCHASER" ("**QP**") WITHIN THE MEANING OF SECTION 3(c)(7), AND AS DEFINED IN SECTION 2(a)(51), OF THE 1940 ACT AND THE RULES THEREUNDER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB THAT ALSO IS A QP; (ii) IS NOT (a) A DEALER DESCRIBED IN RULE 144A(a)(1)(ii) THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED WITH THE DEALER, (b) A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY BENEFICIARIES OF THE PLAN, SUCH AS A PARTICIPANT-DIRECTED 401(k) PLAN OR (c) AN INVESTMENT COMPANY EXCEPTED FROM THE 1940 ACT PURSUANT TO SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF (OR A FOREIGN INVESTMENT COMPANY UNDER SECTION 7(d) THEREOF RELYING ON SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF WITH RESPECT TO ITS U.S. HOLDERS) AND FORMED ON OR PRIOR TO 30 APRIL 1996, THAT HAS NOT RECEIVED THE CONSENT OF EACH OF ITS BENEFICIAL OWNERS WITH RESPECT TO ITS TREATMENT AS A QP IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE 1940 ACT AND THE RULES THEREUNDER; (iii) WAS NOT FORMED, REFORMED OR RECAPITALISED FOR THE PURPOSE OF INVESTING IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] OR OTHER SECURITIES OF THE ISSUER UNLESS EACH OF ITS BENEFICIAL OWNERS IS BOTH A QIB AND A QP WHO WAS NOT SO FORMED; (iv) HAS NOT INVESTED MORE THAN 40 PER CENT. OF ITS ASSETS IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] AND/OR OTHER SECURITIES OF THE ISSUER AFTER GIVING EFFECT TO THE PURCHASE OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] UNLESS EACH OF ITS BENEFICIAL OWNERS IS BOTH A QIB AND QP; (v) IS NOT A PARTNERSHIP; COMMON TRUST FUND; OR CORPORATION, SPECIAL TRUST, PENSION FUND OR RETIREMENT PLAN, OR OTHER ENTITY, IN WHICH THE PARTNERS, BENEFICIARIES, BENEFICIAL OWNERS, PARTICIPANTS, SHAREHOLDERS OR OTHER EQUITY OWNERS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENT TO BE MADE, OR THE ALLOCATION THEREOF, UNLESS ALL SUCH PARTNERS, BENEFICIARIES, BENEFICIAL OWNERS, PARTICIPANTS, SHAREHOLDERS OR OTHER EQUITY OWNERS ARE BOTH QIBs AND QPs; (vi) SUBSCRIBES, ON BEHALF OF ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING OR OTHERWISE ACQUIRING THE [NOTES]/[WARRANTS]/[CERTIFICATES] (OR BENEFICIAL INTERESTS THEREIN), FOR A MINIMUM NUMBER OF [NOTES]/[WARRANTS]/[CERTIFICATES] VALUED IN AN AMOUNT OF AT LEAST U.S.$100,000 (OR ITS EQUIVALENT IN ANY OTHER CURRENCY); (vii) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE; (viii) UNLESS BOTH (I) IT REPRESENTS THAT THE PURCHASE, HOLDING AND DISPOSITION OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] ARE ELIGIBLE FOR EXEMPTIVE RELIEF UNDER, OR ARE OTHERWISE NOT PROHIBITED BY, SECTION 406 OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), AND SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), OR ANY SUBSTANTIALLY SIMILAR U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW, AND (II) AN OPINION OF COUNSEL OR OTHER COMFORT SATISFACTORY TO THE ISSUER AND THE GUARANTOR IS DELIVERED WHICH AFFIRMS THAT NONE OF THE ACQUISITION, PURCHASE OR HOLDING OF ANY [NOTE]/[WARRANT]/[CERTIFICATE] WOULD CAUSE ANY ASSETS OF THE ISSUER TO BE TREATED AS "PLAN ASSETS" FOR THE PURPOSES OF ERISA OR ANY REGULATION THEREUNDER (OR ANY SUBSTANTIALLY SIMILAR U.S. FEDERAL,

STATE, LOCAL OR NON-U.S. LAW), IS NOT, AND IS NOT A FIDUCIARY INVESTING ASSETS OF OR ON BEHALF OF, (a) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS SUBJECT TO TITLE I OF ERISA; (b) A PLAN (AS DEFINED IN SECTION 4975(e)(1) OF THE CODE) THAT IS SUBJECT TO SECTION 4975 OF THE CODE; (c) AN ENTITY WHOSE ASSETS INCLUDE ASSETS OF A PLAN DESCRIBED IN (viii)(a) OR (b) ABOVE BY REASON OF SUCH A PLAN'S INVESTMENT IN THE ENTITY UNDER 29 C.F.R. §2510.3-101 AS MODIFIED BY SECTION 3(42) OF ERISA OR OTHERWISE; OR (d) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE; AND (ix) IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL OF THE REQUIREMENTS OF CLAUSES (i) THROUGH (viii).

FOR THE PURPOSES HEREOF, A "**U.S. PERSON**" HAS THE MEANING ASCRIBED TO IT BY REGULATION S UNDER THE SECURITIES ACT. EACH HOLDER OF A BENEFICIAL INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT SHALL BE REQUIRED TO REPRESENT WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH SUCH ACCOUNT SATISFIES THE REQUIREMENTS SET FORTH ABOVE AND ANY OFFER, SALE, REOFFER, RESALE, TRADE, PLEDGE, ASSIGNMENT, DELIVERY OR OTHER TRANSFER, [OR EXERCISE]/[OR REDEMPTION] OF ITS INTEREST IN SUCH [NOTES]/[WARRANTS]/[CERTIFICATES] MAY ONLY BE MADE TO A PERSON SATISFYING THE REQUIREMENTS ABOVE TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND WILL REQUIRE THE SUBMISSION TO THE DEALER OR THE ISSUER OF A DULY COMPLETED INVESTOR REPRESENTATION LETTER EXECUTED FOR THE BENEFIT OF THE DEALER, THE ISSUER AND THE GUARANTOR (TOGETHER WITH THEIR RESPECTIVE AFFILIATES AND ANY PERSONS CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH SUCH DEALER, ISSUER OR GUARANTOR), IN THE FORM AVAILABLE FROM THE DEALER, THE ISSUER OR THE RELEVANT INSTRUMENT AGENT (AS DEFINED IN THE ENGLISH LAW AGENCY AGREEMENT) WITH RESPECT TO ANY INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT. ANY PURPORTED SALE OR TRANSFER OF THE [NOTES]/[WARRANTS]/[CERTIFICATES], OR ANY INTEREST THEREIN, REPRESENTED BY THIS GLOBAL INSTRUMENT IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE NULL AND VOID *AB INITIO* AND SHALL NOT VEST ANY RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A "**DISQUALIFIED TRANSFEREE**"), NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE GUARANTOR, THE INSTRUMENT AGENT OR ANY INTERMEDIARY, AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF SUCH TRANSFER OF SUCH INTEREST BY SUCH HOLDER OR THE ISSUER MAY REQUIRE SUCH DISQUALIFIED TRANSFEREE TO SELL OR TRANSFER THE [NOTES]/[WARRANTS]/[CERTIFICATES] TO A PERMITTED TRANSFEREE MEETING THE REQUIREMENTS ABOVE.

THE HOLDER OF ANY [NOTES]/[WARRANTS]/[CERTIFICATES] AND THE HOLDER OF ANY BENEFICIAL INTERESTS IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN ITS INSTRUMENTS FROM THE RELEVANT CLEARING SYSTEM.

IF REQUESTED BY THE ISSUER, THE GUARANTOR OR BY AN INSTRUMENT AGENT, THE PURCHASER AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] IS PERMISSIBLE UNDER THE SECURITIES ACT AND THE 1940 ACT.

NONE OF THE [NOTE]/[WARRANT]/[CERTIFICATE], THE GUARANTEE AND CERTAIN ENTITLEMENTS CONSTITUTE, OR HAVE BEEN MARKETED AS, CONTRACTS OF SALE OF A COMMODITY FOR FUTURE DELIVERY (OR OPTIONS THEREON) SUBJECT TO THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**"), AND TRADING IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION PURSUANT TO THE CEA.

THE [NOTES]/[WARRANTS]/[CERTIFICATES] AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR OFFERS, SALES, REOFFERS, RESALES, TRADES, PLEDGES, ASSIGNMENTS, DELIVERIES AND OTHER TRANSFERS, [OR EXERCISES]/[OR REDEMPTIONS] OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE OFFER, SALE, REOFFER, RESALE, TRADE, PLEDGE, ASSIGNMENT, DELIVERY OR TRANSFER, [OR EXERCISE]/[OR REDEMPTION] OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF A [NOTE]/[WARRANT]/[CERTIFICATE], THE PURCHASER THEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT."

Regulation S/Rule 144A Global Instruments

"THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT, (IN RESPECT OF [NOTES]/[WARRANTS]/[CERTIFICATES] WHICH ARE NOT SECURED INSTRUMENTS) THE GUARANTEE AND, IN CERTAIN CASES, THE SECURITIES TO BE DELIVERED UPON [REDEMPTION]/[EXERCISE OR SETTLEMENT] OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER SECURITIES LAWS, AND MAY NOT BE OFFERED, SOLD, REOFFERED, RESOLD, TRADED, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, [OR EXERCISED]/[OR REDEEMED] EXCEPT IN ACCORDANCE WITH THE CONDITIONS (AS DEFINED BELOW) AND THE ENGLISH LAW AGENCY AGREEMENT (AS DEFINED BELOW), AND PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR ANY OTHER SECURITIES LAWS. [MERRILL LYNCH INTERNATIONAL & CO. C.V.] [MERRILL LYNCH B.V.], THE ISSUER OF THE [NOTES]/[WARRANTS]/[CERTIFICATES], HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**1940 ACT**").

THE HOLDER OF ANY [NOTES]/[WARRANTS]/[CERTIFICATES], AND THE HOLDER OF ANY BENEFICIAL INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES], REPRESENTED BY THIS GLOBAL INSTRUMENT, AGREES BY ITS ACQUISITION HEREOF FOR THE BENEFIT OF THE DEALER, THE ISSUER AND THE GUARANTOR THAT ANY BENEFICIAL INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT MAY BE OFFERED, SOLD, REOFFERED, RESOLD, TRADED, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, [OR EXERCISED]/[OR REDEEMED] ONLY IN ACCORDANCE WITH THE CONDITIONS AND THE ENGLISH LAW AGENCY AGREEMENT AND (1) IN THE CASE THAT THE TRANSFEROR IS NOT A U.S. PERSON (AS DEFINED HEREIN), TO A PERSON THAT IS NOT A U.S. PERSON AND THAT IS ACQUIRING THE [NOTES]/[WARRANTS]/[CERTIFICATES] IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; OR (2) IN THE CASE THAT THE TRANSFEROR IS A U.S. PERSON WHO IS A "QUALIFIED INSTITUTIONAL BUYER" ("**QIB**") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT AND A "QUALIFIED PURCHASER" ("**QP**") WITHIN THE MEANING OF SECTION 3(c)(7) AND AS DEFINED IN SECTION 2(a)(51) OF THE 1940 ACT AND THE RULES THEREUNDER, TO OR THROUGH THE ISSUER OR THE DEALER (A) IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT AND

(B) TO A PERSON IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (i) THAT IS A QIB AND A QP; (ii) THAT IS NOT (a) A DEALER DESCRIBED IN RULE 144A(a)(1)(ii) THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED WITH THE DEALER, (b) A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY BENEFICIARIES OF THE PLAN, SUCH AS A PARTICIPANT-DIRECTED 401(k) PLAN OR (c) AN INVESTMENT COMPANY EXCEPTED FROM THE 1940 ACT PURSUANT TO SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF (OR A FOREIGN INVESTMENT COMPANY UNDER SECTION 7(d) THEREOF RELYING ON SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF WITH RESPECT TO ITS U.S. HOLDERS) AND FORMED ON OR PRIOR TO 30 APRIL 1996, THAT HAS NOT RECEIVED THE CONSENT OF EACH OF ITS BENEFICIAL OWNERS WITH RESPECT TO ITS TREATMENT AS A QP IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE 1940 ACT AND THE RULES THEREUNDER; (iii) THAT WAS NOT FORMED, REFORMED OR RECAPITALISED FOR THE PURPOSE OF INVESTING IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] OR OTHER SECURITIES OF THE ISSUER UNLESS EACH OF ITS BENEFICIAL OWNERS IS BOTH A QIB AND A QP WHO WAS NOT SO FORMED; (iv) THAT HAS NOT INVESTED MORE THAN 40 PER CENT. OF ITS ASSETS IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] AND/OR OTHER SECURITIES OF THE ISSUER AFTER GIVING EFFECT TO THE PURCHASE OF THE [NOTES][WARRANTS][CERTIFICATES] UNLESS EACH OF ITS BENEFICIAL OWNERS IS BOTH A QIB AND QP; (v) THAT IS NOT A PARTNERSHIP; COMMON TRUST FUND; OR CORPORATION, SPECIAL TRUST, PENSION FUND OR RETIREMENT PLAN, OR OTHER ENTITY, IN WHICH THE PARTNERS, BENEFICIARIES, BENEFICIAL OWNERS, PARTICIPANTS, SHAREHOLDERS OR OTHER EQUITY OWNERS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENT TO BE MADE, OR THE ALLOCATION THEREOF, UNLESS ALL SUCH PARTNERS, BENEFICIARIES, BENEFICIAL OWNERS, PARTICIPANTS, SHAREHOLDERS OR OTHER EQUITY OWNERS ARE BOTH QIBs AND QPs; (vi) THAT SUBSCRIBES, ON BEHALF OF ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING OR OTHERWISE ACQUIRING THE [NOTES]/[WARRANTS]/[CERTIFICATES] (OR BENEFICIAL INTERESTS THEREIN), FOR A MINIMUM NUMBER OF [NOTES]/[WARRANTS]/[CERTIFICATES] VALUED IN AN AMOUNT OF AT LEAST U.S.$100,000 (OR ITS EQUIVALENT IN ANY OTHER CURRENCY); (vii) THAT WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE; (viii) THAT UNLESS BOTH (I) IT REPRESENTS THAT THE PURCHASE, HOLDING AND DISPOSITION OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] ARE ELIGIBLE FOR EXEMPTIVE RELIEF UNDER, OR ARE OTHERWISE NOT PROHIBITED BY, SECTION 406 OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), AND SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), OR ANY SUBSTANTIALLY SIMILAR U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW, AND (II) AN OPINION OF COUNSEL OR OTHER COMFORT SATISFACTORY TO THE ISSUER AND THE GUARANTOR IS DELIVERED WHICH AFFIRMS THAT NONE OF THE ACQUISITION, PURCHASE OR HOLDING OF ANY [NOTE]/[WARRANT]/[CERTIFICATE] WOULD CAUSE ANY ASSETS OF THE ISSUER TO BE TREATED AS "PLAN ASSETS" FOR THE PURPOSES OF ERISA OR ANY REGULATION THEREUNDER (OR ANY SUBSTANTIALLY SIMILAR U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW), IS NOT, AND IS NOT A FIDUCIARY INVESTING ASSETS OF OR ON BEHALF OF, (a) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS SUBJECT TO TITLE I OF ERISA; (b) A PLAN (AS DEFINED IN SECTION 4975(e)(1) OF THE CODE) THAT IS SUBJECT TO SECTION 4975 OF THE CODE; (c) AN ENTITY WHOSE ASSETS INCLUDE ASSETS OF A PLAN DESCRIBED IN (viii)(a) OR (b) ABOVE BY REASON OF SUCH A PLAN'S INVESTMENT IN THE ENTITY UNDER 29 C.F.R. §2510.3-101 AS MODIFIED BY SECTION 3(42) OF ERISA OR OTHERWISE; OR (d) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT

IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE; AND (ix) THAT IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL OF THE REQUIREMENTS OF CLAUSES (i) THROUGH (viii). FOR THE PURPOSES HEREOF, "**U.S. PERSON**" HAS THE MEANING ASCRIBED TO IT BY REGULATION S UNDER THE SECURITIES ACT. EACH HOLDER OF A BENEFICIAL INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT SHALL BE REQUIRED TO REPRESENT WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH SUCH ACCOUNT SATISFIES THE REQUIREMENTS SET FORTH ABOVE AND ANY OFFER, SALE, REOFFER, RESALE, TRADE, PLEDGE, ASSIGNMENT, DELIVERY OR OTHER TRANSFER, [OR EXERCISE] [OR REDEMPTION] OF ITS INTEREST IN SUCH [NOTES]/[WARRANTS]/[CERTIFICATES] MAY ONLY BE MADE TO A PERSON SATISFYING THE REQUIREMENTS ABOVE AND WITH RESPECT TO A PERSON SATISFYING THE REQUIREMENTS OF CLAUSE (2) ABOVE, MAY ONLY BE MADE TO A PERSON TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND WILL REQUIRE THE SUBMISSION TO THE DEALER OR THE ISSUER OF A DULY COMPLETED INVESTOR REPRESENTATION LETTER EXECUTED FOR THE BENEFIT OF THE DEALER, THE ISSUER AND THE GUARANTOR (TOGETHER WITH THEIR RESPECTIVE AFFILIATES AND ANY PERSONS CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH SUCH DEALER, ISSUER OR GUARANTOR), IN THE FORM AVAILABLE FROM THE DEALER, THE ISSUER OR THE RELEVANT INSTRUMENT AGENT (AS DEFINED IN THE ENGLISH LAW AGENCY AGREEMENT) WITH RESPECT TO ANY INTEREST IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT. ANY PURPORTED SALE OR TRANSFER OF THE [NOTES]/[WARRANTS]/[CERTIFICATES], OR ANY INTEREST THEREIN, REPRESENTED BY THIS GLOBAL INSTRUMENT IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE NULL AND VOID *AB INITIO* AND SHALL NOT VEST ANY RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A "**DISQUALIFIED TRANSFEREE**"), NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE GUARANTOR, THE INSTRUMENT AGENT OR ANY INTERMEDIARY, AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF SUCH TRANSFER OF SUCH INTEREST BY SUCH HOLDER OR THE ISSUER MAY REQUIRE SUCH DISQUALIFIED TRANSFEREE TO SELL OR TRANSFER THE [NOTES]/[WARRANTS]/[CERTIFICATES] TO A PERMITTED TRANSFEREE MEETING THE REQUIREMENTS ABOVE.

THE HOLDER OF ANY [NOTES]/[WARRANTS]/[CERTIFICATES] AND THE HOLDER OF ANY BENEFICIAL INTERESTS IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] REPRESENTED BY THIS GLOBAL INSTRUMENT UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN ITS SECURITIES FROM THE RELEVANT CLEARING SYSTEM.

IF REQUESTED BY THE ISSUER, THE GUARANTOR OR BY AN INSTRUMENT AGENT, THE PURCHASER AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF THE [NOTE][WARRANT][CERTIFICATE] IS PERMISSIBLE UNDER THE SECURITIES ACT AND THE 1940 ACT.

NONE OF THE [NOTES]/[WARRANTS]/[CERTIFICATES], THE GUARANTEE AND CERTAIN ENTITLEMENTS CONSTITUTE, OR HAVE BEEN MARKETED AS, CONTRACTS OF SALE OF A COMMODITY FOR FUTURE DELIVERY (OR OPTIONS THEREON) SUBJECT TO THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**"), AND TRADING IN THE [NOTES]/[WARRANTS]/[CERTIFICATES] HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION PURSUANT TO THE CEA.

THE [NOTES]/[WARRANTS]/[CERTIFICATES] AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR OFFERS, SALES, REOFFERS, RESALES, TRADES, PLEDGES, ASSIGNMENTS, DELIVERIES AND OTHER TRANSFERS, [OR EXERCISES]/[OR REDEMPTIONS] OF THE [NOTES]/[WARRANTS]/[CERTIFICATES] TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE OFFER, SALE, REOFFER, RESALE, TRADE, PLEDGE, ASSIGNMENT, DELIVERY OR TRANSFER, [OR EXERCISE]/[OR REDEMPTION] OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF A [NOTE]/[WARRANT]/[CERTIFICATE], THE PURCHASER THEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT."

(xxvii) in the case of Warrants, that it will not engage in any hedging transactions with respect to the Warrants unless in compliance with the Securities Act;

(xxviii) in the case of Notes, it agrees and acknowledges on behalf of itself and if purchasing for allocation to one or more accounts or ultimate purchasers, on behalf of such accounts or ultimate purchasers that in the event that at any time the Principal Paying Agent or the U.S. Paying Agent determines or is notified by MLBV, the Guarantor or any of their affiliates that (i) a sale or transfer or attempted or purported sale or transfer of any interest in a Note was not consummated in compliance with the provisions of "Annex 11A – *Additional Terms and Conditions for Rule 144A Notes*" or on the basis of an incorrect form, representation or certification from such investor as set forth herein or in the Investor Representation Letter, (ii) it is in breach at the time given of any representation or agreement set forth in any certificate or letter or any deemed representation or agreement delivered or deemed to be made by such purchaser, or (iii) a transfer or attempted transfer of any interest in a Note was consummated which did not comply with the transfer restrictions set forth in this Offering Circular, the purported sale or transfer shall be absolutely null and void *ab initio* and shall not vest any rights in such purported purchaser (being in such case, a "**Disqualified Transferee**") and the last preceding holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of the purported transfer of such interest by such Holder or the relevant Issuer may require such Disqualified Transferee to sell or transfer such interest to a permitted transferee meeting the requirements above;

(xxix) in the case of W&C Instruments, it agrees and acknowledges on behalf of itself and if purchasing for allocation to one or more accounts or ultimate purchasers, on behalf of such accounts or ultimate purchasers that in the event that at any time the Principal Warrant Agent, the U.S. Warrant Agent, the Principal Certificate Agent or the U.S. Certificate Agent, as applicable, determines or is notified by the relevant Issuer, the Guarantor or any of their affiliates that (i) a transfer or attempted or purported transfer of any interest in a W&C Instrument was not consummated in compliance with the provisions of W&C Instruments Condition 23 (*Style and Title (Warrants)*), W&C Instruments Condition 30 (*Type and Title (Certificates)*) or "Annex 11B – *Additional Terms and Conditions for Rule 144A W&C Instruments*", as applicable, or on the basis of an incorrect form, representation or certification from such investor as set forth herein or in the Investor Representation Letter, (ii) it is in breach at the time given of any representation or agreement set forth in any certificate or letter or any deemed representation or agreement delivered or deemed to be made by such purchaser, or (iii) a transfer or attempted transfer of any interest in a W&C Instrument was consummated which did not comply with the transfer restrictions set forth in this Offering Circular, the purported transfer shall be absolutely null and void *ab initio* and shall not vest any rights in such purported purchaser (being in such case, a "**Disqualified Transferee**") and the last preceding holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of the purported transfer of such interest by such Holder;

(xxx) if it is holding Regulation S/Rule 144A Global Instruments, it agrees, if requested by the relevant Issuer, to certify that when it purchased such Regulation S/Rule 144A Global Instrument, it purchased the Regulation S/Rule144A Global Instrument pursuant to either or both of (i) Rule 144A under the Securities Act or (ii) the registration exemption contained in Regulation S under the Securities Act;

(xxxi) that the relevant Issuer, the Guarantor and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer and the Guarantor; and

(xxxii) it understands that each Rule 144A Instrument held through DTC shall also bear the following legend:

"UNLESS THIS GLOBAL INSTRUMENT IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL INSTRUMENT ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

BANK OF AMERICA CORPORATION

Bank of America Corporation ("**BAC**") is a Delaware corporation, a bank holding company, and a financial holding company. BAC was incorporated on 31 July 1998 (existing until it is dissolved) as a part of the merger of BankAmerica Corporation with NationsBank Corporation. BAC was initially registered with the State of Delaware, Secretary of State, Division of Corporations on 31 July 1998 under registration number 2927442. BAC operates under the General Corporation Law of the State of Delaware, Title 8 of the Delaware Code 1953, sections 101 through 398, known as the "Delaware General Corporation Law". BAC's registered office in Delaware is at the Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, United States. BAC's headquarters and principal place of business are located at 100 North Tryon Street, Charlotte, North Carolina 28255, United States, telephone number (704) 386-5681 and its website is https://www.bankofamerica.com/. The information on BAC's website does not form part of this Offering Circular and has not been scrutinised or approved by the Luxembourg Stock Exchange. BAC's objects and purposes are to engage in any lawful act or activity for which corporations may be organised and incorporated in the General Corporation Law of the State of Delaware, as specified in paragraph 2 of BAC's Restated Certificate of Incorporation. BAC filed its Restated Certificate of Incorporation with the Delaware Secretary of State on 27 December 2019, and last amended its Restated Certificate of Incorporation on 22 April 2022. BAC's most recent Amended and Restated Bylaws are dated 22 February 2022.

Business Segment Operations

Through its various bank and nonbank subsidiaries throughout the United States and in international markets, BAC provides a diversified range of banking and nonbank financial services and products through four business segments: (1) *Consumer Banking*, (2) *Global Wealth & Investment Management*, (3) *Global Banking* and (4) *Global Markets*, with the remaining operations recorded in All Other.

Financial Consequences to Unsecured Debtholders of Single Point of Entry Resolution Strategy

BAC is subject to the TLAC Rules, which aim to improve the resiliency and resolvability of U.S. global systemically important bank holding companies ("**covered BHCs**"), including BAC, in the event of failure or material financial distress. The TLAC Rules include the requirement that each covered BHC maintain a minimum amount of eligible LTD and other loss-absorbing capacity. The eligible LTD would absorb the covered BHC's losses, following the depletion of its equity, upon its entry into a resolution proceeding under the U.S. Bankruptcy Code or a resolution proceeding administered by the FDIC under Title II of the Financial Reform Act.

Under Title I of the Financial Reform Act, BAC is required by the Federal Reserve Board and the FDIC to periodically submit a plan for a rapid and orderly resolution under the U.S. Bankruptcy Code in the event of material financial distress or failure. BAC's preferred resolution strategy under this plan is its SPOE strategy under which only BAC (excluding its consolidated subsidiaries) would enter bankruptcy proceedings. Under this strategy, and pursuant to existing intercompany arrangements by which BAC has transferred most of its assets to a wholly-owned holding company subsidiary, which holds the equity interests in BAC's key operating subsidiaries, BAC would contribute its remaining financial assets, less a holdback to cover its bankruptcy expenses, to this wholly-owned holding company subsidiary prior to filing for bankruptcy. BAC would then file for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code. Pursuant to an order from the bankruptcy court under section 363 of the Bankruptcy Code, BAC, as debtor-in-possession, would transfer its subsidiaries to a newly-formed entity ("**NewCo**") that would be held in trust for the sole and exclusive benefit of BAC's bankruptcy estate.

Under BAC's SPOE resolution strategy, the obligations of BAC on its unsecured debt, including the BAC Notes, would not be assumed by NewCo; instead, the claims on such obligations would be left behind in the bankruptcy proceeding. After the transferred subsidiaries were stabilised, NewCo's residual value in the form of shares or proceeds from the sale of shares would be distributed to the holders of claims against the bankruptcy estate in accordance with the priority of their claims, including to holders of BAC's debt securities.

In 2013, the FDIC issued a notice describing its similar preferred "single point of entry" recapitalisation model for resolving a global systemically important banking group, such as BAC, under Title II of the Financial Reform Act. Under Title II, when a covered BHC is in default or danger of default, the FDIC may be appointed receiver in order to conduct an orderly liquidation of such institution as an alternative

to resolution of the entity under the U.S. Bankruptcy Code if the U.S. Secretary of the Treasury makes certain financial distress and systemic risk determinations. Pursuant to the single point of entry recapitalisation model, the FDIC would use its power to create a "bridge entity" for the covered BHC; transfer the systemically important and viable parts of the covered BHC's business to the bridge entity; recapitalise those subsidiaries using assets of the covered BHC that have been transferred to the bridge entity; and exchange external debt claims against the covered BHC, including claims of holders of BAC debt securities and other unsecured debt, for equity in the bridge entity. This strategy would allow operating subsidiaries of the covered BHC to continue to operate and impose losses on stockholders and creditors of the covered BHC, including the holders of the BAC Notes and the Guarantees.

Board of Directors

As of the date of this Offering Circular, the Directors of BAC are:

Director	Function	Principal Activities Outside of BAC
Brian T. Moynihan	Chairman of the Board and Chief Executive Officer	None
Sharon L. Allen	Non-employee director	Former Chairman, Deloitte LLP Current Member of Boards of Directors of Albertsons Companies, Inc. and First Solar, Inc.
Frank P. Bramble, Sr.	Non-employee director	Former Executive Vice Chairman, MBNA Corporation
Pierre J. P. de Weck	Non-employee director	Former Chairman and Global Head of Private Wealth Management, Deutsche Bank AG
Arnold W. Donald	Non-employee director	President and Chief Executive Officer of Carnival Corporation and Carnival plc Current Member of Boards of Directors of Carnival Corporation and Carnival plc
Linda P. Hudson	Non-employee director	Former President and Chief Executive Officer, BAE Systems, Inc. Former Chairman and Chief Executive Officer, The Cardea Group LLC Current Member of Boards of Directors of Trane Technologies plc and TPI Composites, Inc.
Monica C. Lozano	Non-employee director	Chief Executive Officer, College Futures Foundation Former Chairman, US Hispanic Media Inc. Current Lead Independent Director, Target Corporation

Director	Function	Principal Activities Outside of BAC
		Current Member of Board of Directors of Apple Inc.
Lionel L. Nowell III	Lead Independent Director; non-employee director	Former Senior Vice President and Treasurer of PepsiCo, Inc.
		Current Member of Boards of Directors of Ecolab Inc. and Textron Inc.
Denise L. Ramos	Non-employee director	Former Chief Executive Officer, President and Director of ITT, Inc.
		Current Member of Boards of Directors of Phillips 66 and Raytheon Technologies Corporation.
Clayton S. Rose	Non-employee director	President, Bowdoin College
Michael D. White	Non-employee director	Former Chairman, President, and Chief Executive Officer of DIRECTV
		Current Lead Director of Kimberly-Clark Corporation
		Current Member of Board of Directors of Whirlpool Corporation
Thomas D. Woods.....	Non-employee director	Former Vice Chairman and Senior Executive Vice President of Canadian Imperial Bank of Commerce
		Current Member of Board of Directors of Alberta Investment Management Corporation
R. David Yost.....	Non-employee director	Former Chief Executive Officer, AmerisourceBergen Corporation
		Current Member of Boards of Directors of Marsh & McLennan Companies, Inc. and Johnson Controls International plc
Maria T. Zuber	Non-employee director	Vice President for Research and E. A. Griswold Professor of Geophysics, Massachusetts Institute of Technology
		Current Member of Board of Directors of Textron Inc.

The business address of each Director is 100 North Tryon Street, Charlotte, North Carolina 28255, United States.

No potential conflicts of interest exist between the duties to BAC of the members of the Board of Directors, as listed above, and their private interests and/or other duties.

Subsidiaries

BAC acts as the holding company of over 500 subsidiary undertakings worldwide which are all operative within the financial services sector. Details of BAC's principal subsidiary, an indirect, wholly-owned subsidiary of BAC, are set out below:

Name	Address	Principal Activity
Bank of America, N.A.	100 North Tryon Street Suite 170 Charlotte, North Carolina 28202	Commercial and consumer banking

Trend Information

For information regarding trends and events impacting BAC's businesses and results of operations, see Item 1, Business on pages 2 through 7, inclusive, of the BAC 2021 Annual Report, Item 1A, Risk Factors on pages 7 through 24, inclusive, of the BAC 2021 Annual Report, Management's Discussion and Analysis of Financial Condition and Results of Operations ("**MD&A**") on pages 25 through 85, inclusive, of the BAC 2021 Annual Report, the MD&A on pages 3 through 43, inclusive, of the BAC 31 March 2022 Quarterly Report, Note 1, Summary of Significant Accounting Principles on pages 94 through 102, inclusive, of the BAC 2021 Annual Report and Note 1, Summary of Significant Accounting Principles on page 48 of the BAC 31 March 2022 Quarterly Report.

Board Practices

Audit Committee

BAC's Audit Committee, which currently consists of six independent members of BAC's Board of Directors, assists BAC's Board of Directors in the oversight of the qualifications, performance and independence of BAC's registered independent public accounting firm; the performance of BAC's internal audit function; the integrity of BAC's consolidated financial statements; BAC's compliance with legal and regulatory requirements; and makes inquiries of management or the Chief Audit Executive to assess the scope and resources necessary for the corporate audit function to execute its responsibilities. The Audit Committee is also responsible for overseeing compliance risk pursuant to the New York Stock Exchange listing standards.

As of the date of this Offering Circular, the members of the Audit Committee are Sharon L. Allen (Chair), Arnold W. Donald, Denise L. Ramos, Michael D. White, Thomas D. Woods and R. David Yost.

Corporate Governance

BAC has complied in all material respects with the corporate governance regime of the State of Delaware and all applicable provisions of Delaware General Corporation Law.

Ratings

As at the date of this Offering Circular, BAC's long-term senior debt is rated A2 (Positive) by Moody's Investors Service, Inc., A- (Positive) by Standard & Poor's Financial Services LLC and AA- (Stable) by Fitch Ratings, Inc. Credit ratings and outlooks may be adjusted over time, and so there is no assurance that these credit ratings and outlooks will be effective after the date of this Offering Circular. A credit rating is not a recommendation to buy, sell or hold any Instruments.

SELECTED FINANCIAL DATA OF BANK OF AMERICA CORPORATION

The following table contains BAC's selected financial data (1) as of 31 December 2021 and 2020, and for each of the years in the three years ended 31 December 2021, derived from BAC's audited financial statements and (2) as of and for the three months ended 31 March 2022 and 2021, derived from BAC's unaudited financial statements, which were prepared in conformity with accounting principles generally accepted in the United States. BAC's unaudited financial statements include all adjustments, consisting only of normal recurring accruals, that BAC considers necessary for a fair statement of its financial position and its results of operations as of such dates and for such periods. Results for the three months ended 31 March 2022 are not necessarily indicative of the results that might be expected for any other interim period or for the year as a whole.

	Three months ended 31 March		Year ended 31 December		
	2022	2021	2021	2020	2019
	(Dollars in millions, except number of shares and per share information)				
Income statement:					
Interest income	$12,894	$11,395	$47,672	$51,585	$71,236
Interest expense	1,322	1,198	4,738	8,225	22,345
Net interest income	11,572	10,197	42,934	43,360	48,891
Noninterest income	11,656	12,624	46,179	42,168	42,353
Total revenue, net of interest expense	23,228	22,821	89,113	85,528	91,244
Provision for credit losses	30	(1,860)	(4,594)	11,320	3,590
Noninterest expense	15,319	15,515	59,731	55,213	54,900
Income before income taxes	7,879	9,166	33,976	18,995	32,754
Income tax expense	812	1,116	1,998	1,101	5,324
Net income	7,067	8,050	31,978	17,894	27,430
Net income applicable to common shareholders	6,600	7,560	30,557	16,473	25,998
Average common shares issued and outstanding (in millions)	8,136.8	8,700.1	8,493.3	8,753.2	9,390.5
Average diluted common shares issued and outstanding (in millions)	8,202.1	8,755.6	8,558.4	8,796.9	9,442.9
Per common share information:					
Earnings	$0.81	$0.87	$3.60	$1.88	$2.77
Diluted earnings	0.80	0.86	3.57	1.87	2.75
Dividends paid	0.21	0.18	0.78	0.72	0.66

	31 March		31 December	
	2022	2021	2021	2020
	(Dollars in millions, except percentages)			
Balance Sheet (period end):				
Total loans and leases	$993,145	$903,088	$979,124	$927,861
Total assets	3,238,223	2,969,992	3,169,495	2,819,627
Total deposits	2,072,409	1,884,938	2,064,446	1,795,480
Long-term debt	278,710	251,211	280,117	262,934
Total shareholders' equity	266,617	274,000	270,066	272,924
Allowance for loan and lease losses as a percentage of total loans and leases outstanding[99]	1.23%	1.80%	1.28%	2.04%
Total ending equity to total ending assets	8.23%	9.23%	8.52%	9.68%

Share Capital

As of 31 March 2022, the issued and outstanding common stock of BAC equalled 8,062,102,236 shares, $0.01 par value, fully paid, which shares and additional paid in capital equalled approximately $59,968

[99] Outstanding loan and lease balances and ratios do not include loans accounted for under the fair value option.

billion. As at the date of this Offering Circular, the authorised common stock of BAC is 12,800,000,000 shares.

As of 31 March 2022, the issued and outstanding preferred stock of BAC equalled 4,037,686 shares, $0.01 par value, fully paid, with an aggregate liquidation preference of approximately $27.5 billion. Subsequent to March 31, 2022, on April 22, 2022, the Issuer issued 80,000 shares of its 6.125% Fixed-Rate Reset Non-Cumulative Preferred Stock, Series TT, having an aggregate liquidation preference of $2.0 billion. The authorised preferred stock of BAC is 100,000,000 shares.

Principal Shareholders

BAC is a U.S. publicly-traded company. The principal market on which BAC's common stock is traded is the New York Stock Exchange. To the extent known to BAC, no shareholder owns enough shares of BAC's common stock to directly or indirectly exercise control over BAC.

Dividends

The following cash dividends per share of common stock of BAC were paid for each of the five consecutive fiscal years ended 31 December:

Fiscal Year	Dividend per share
2021	$0.78
2020	$0.72
2019	$0.66
2018	$0.54
2017	$0.39

BOFA FINANCE LLC

History and Business

BofA Finance LLC ("**BofA Finance**") is a Delaware limited liability company and a direct, wholly-owned finance subsidiary of BAC. BofA Finance was formed on 24 June 2016 with the State of Delaware Secretary of State, Division of Corporations, under registration number 6078455, for the purpose of providing BAC and/or BAC's other subsidiaries with financing by issuing debt securities to investors and lending the net proceeds therefrom to BAC and/or those subsidiaries. BofA Finance LLC exists until it is dissolved and liquidated and its Certificate of Formation is canceled in accordance with Section 18-203 of the Delaware Limited Liability Company Act. BofA Finance is organised under the Delaware Limited Liability Company Act, Title 6, Chapter 18 of the Delaware Code, sections 101 through 1208. BAC is the sole member, and owns 100 per cent. of the membership interests, of BofA Finance. BofA Finance's registered office in Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801. BofA Finance's principal executive offices are located in the Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255 and its telephone number is (704) 386-5681.

Principal Activities

The purpose of BofA Finance is to engage in any lawful business, purpose or activity for which limited liability companies may be formed under the Delaware Limited Liability Company Act, as specified in Section 4.1 of BofA Finance's Limited Liability Company Agreement. BofA Finance filed its Certificate of Formation with the Delaware Secretary of State on 24 June 2016, and has not amended its Certificate of Formation. BofA Finance's most recent Limited Liability Company Agreement is dated 24 June 2016.

BofA Finance is a finance subsidiary, has no operations other than those related to the issuance, administration and repayment of its debt securities guaranteed by BAC, and is dependent upon BAC and/or BAC's other subsidiaries to meet its obligations under the debt securities in the ordinary course. However, BofA Finance will have no assets available for distributions to holders of its debt securities if they make claims in respect of such debt securities in a bankruptcy, resolution or similar proceeding. Holders of Notes issued by BofA Finance will have recourse only to a single claim against BAC and its assets under BAC's guarantee of the Notes.

BofA Finance intends to lend the net proceeds from the sale of the Notes it issues to BAC and/or BAC's other subsidiaries. Unless a different use is described in the applicable Final Terms, BAC expects that it and/or its subsidiaries will use the proceeds from these loans to provide additional funds for operations and for other general corporate purposes. In addition, BofA Finance may use a portion of net proceeds from the sale of the Notes it issues to hedge its obligations under the Notes by entering into hedging arrangements with one or more affiliates.

Principal Markets in which BofA Finance Competes

During the financial year ended 31 December 2021, BofA Finance issued debt securities (guaranteed by BAC) in the United States and internationally.

Trend Information

There are no known trends affecting BofA Finance and the industries in which it operates.

Management of BofA Finance

The Board of Managers of BofA Finance is charged with the management of BofA Finance. Set forth below are the names and titles of BofA Finance's Managers:

Manager	Title	Principal Outside Activity
John M. Carpenter	Manager and President	Managing Director of Bank of America, N.A.
Asli Rustemli	Manager	Managing Director of BofA Securities, Inc.
Jason T. Rhule	Manager	Director of Bank of America, N.A.

The business address of the Managers of BofA Finance is 100 North Tryon Street, Charlotte, North Carolina 28255.

There are no material potential conflicts of interest between any duties owed to BofA Finance as issuer by the Managers of BofA Finance identified above and these additional duties.

Capital Structure

BofA Finance is a wholly-owned direct subsidiary of BAC.

Rating

As at the date of this Offering Circular, BofA Finance's U.S. SEC registered senior debt securities program is rated (P)A2 by Moody's Investors Service, Inc. and AA- by Fitch Ratings, Inc.

Credit ratings and outlooks may be adjusted over time, and so there is no assurance that these credit ratings and outlooks will be effective after the date of this Offering Circular. A credit rating is not a recommendation to buy, sell or hold any Instruments.

MERRILL LYNCH B.V.

History and Business

Merrill Lynch B.V. ("**MLBV**") was incorporated on 12 November 2012 as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law. MLBV continues to exist until it is dissolved and liquidated in accordance with the relevant provision of the Dutch Civil Code. On 31 December 2012, effective as of 1 January 2013, MLBV merged with Merrill Lynch SA ("**MLSA**") by means of a cross border merger, whereby MLSA was the disappearing entity, and MLBV was the acquiring entity (the "**Merger**"). Pursuant to the Merger, MLBV acquired all assets and liabilities of MLSA at the time of the Merger by operation of law under universal title of succession (*onder algemene titel*). On 30 September 2015, effective as of 1 October 2015, MLBV merged with B of A Issuance B.V. ("**BofAIBV**"), which was a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law and an indirect subsidiary of Bank of America Corporation ("**BAC**"), whereby BofAIBV was the disappearing entity, and MLBV was the acquiring entity (the "**2015 Merger**"). Pursuant to the 2015 Merger, MLBV acquired all assets and liabilities of BofAIBV at the time of the 2015 Merger by operation of law under universal title of succession (*onder algemene titel*). MLBV is wholly-owned by Merrill Lynch International, LLC, which in turn, is wholly-owned by NB Holdings Corporation, whose ultimate parent is BAC. MLBV does not hold any of its own shares.

MLBV is part of BAC's group and transacts with, and depends on, entities within such group accordingly.

The objects of MLBV are set out in Article 3 of its Articles of Association and include, *inter alia*, to finance businesses and companies, and to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with aforementioned activities. The objects of MLBV also include, *inter alia*, to incorporate, to participate in any way whatsoever in, to manage and to supervise businesses and companies.

MLBV's most recent Articles of Association are dated 12 November 2012.

Principal Activities

The main activity of MLBV consists of issuing notes, warrants, certificates and other securities to investors, the proceeds of which are loaned to, or placed on deposit with, Group companies.

MLBV's accounting year coincides with the calendar year.

Registered Office and Register of Commerce and Companies

MLBV's registered office is at Amstelplein 1, Rembrandt Tower, 27th Floor, 1096 HA Amsterdam, the Netherlands, with telephone number (+31 (0)2 0575 5600) and it is registered with the Trade Register of the Dutch Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) in Amsterdam, the Netherlands, under number 56457103.

The registered office of MLBV is located in the Netherlands where the Directors hold all of their Board Meetings.

Principal Markets in which MLBV Competes

The main markets in which MLBV issues and sells securities are the international securities markets.

Trend Information

There are no known trends affecting MLBV and the industries in which it operates.

Directors

The Board of Directors of MLBV is charged with the management of MLBV. Set forth below are the names and titles of MLBV's Directors:

Director	Title
Armstrong E. Okobia	Director A

Director	Title
Shannon L. Lilly	Director B
Lucas J.M. Duijsens	Director B

The business address of the Directors of MLBV is Amstelplein 1, Rembrandt Tower, 27th Floor, 1096 HA Amsterdam, the Netherlands.

There are no potential conflicts of interest between any duties to MLBV and their private interests or other duties of the Directors of MLBV.

There are no principal activities performed by the Directors of MLBV outside MLBV which are significant to MLBV as issuer.

Corporate Governance

MLBV has complied in all material respects with the corporate governance regime of the Netherlands and all applicable provisions of Dutch law.

Share Capital

The issued and paid-up share capital of MLBV is U.S.$129.98, consisting of 12,998 registered ordinary shares with a nominal value of U.S.$0.01 each.

Dividends

In each of 2020 and 2021, MLBV did not declare a dividend.

Rating

As at the date of this Offering Circular, MLBV's long-term senior debt is rated AA- by Fitch Ratings, Inc.

Credit ratings and outlooks may be adjusted over time, and so there is no assurance that these credit ratings and outlooks will be effective after the date of this Offering Circular. A credit rating is not a recommendation to buy, sell or hold any Instruments.

SELECTED FINANCIAL DATA OF MERRILL LYNCH B.V.

The Dutch Civil Code requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS), including comparative prior period financial information. The financial statements of MLBV as of and for each of the financial years ended 31 December 2021 and 31 December 2020 have been audited by PricewaterhouseCoopers Accountants N.V.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table contains MLBV's Statement of Profit or Loss and Other Comprehensive Income for the years ended 31 December 2021 and 31 December 2020, extracted from the MLBV 2021 Accounts.

	Year ended 31 December	
	2021	**2020**
	$'000	**$'000**
Net (loss)/gain on financial instruments at fair value through profit or loss	(30,347)	51,971
Net gain/(loss) on financial instruments designated at fair value through profit or loss	31,241	(58,696)
Other income	457	455
Administrative expenses	(438)	(270)
Profit/(Loss) from operations	913	(6,540)
Interest income	23,972	42,370
Profit before tax	24,885	35,830
Tax expense	(6,788)	(11,039)
Profit for the financial year after tax	18,097	24,791
Other comprehensive income/(loss):		
Items that will not be reclassified to profit or loss:		
Net gain/(loss) in debit valuation adjustment on structured notes	46,908	(26,422)
Tax relating to movement in debit valuation adjustment on structured notes	(11,251)	15,612
Total other comprehensive income/(loss)	35,657	(10,810)
Total comprehensive income	53,754	13,981

STATEMENT OF FINANCIAL POSITION

The following table contains MLBV's Statement of Financial Position as at 31 December 2021 and 31 December 2020, extracted from the MLBV 2021 Accounts.

	31 December 2021 $'000	31 December 2020 $'000
Assets		
Non-current assets		
Debtors	3,018,655	2,107,916
Derivative assets	150,170	214,457
Deferred tax assets	-	13,246
Total Non-current assets	3,168,825	2,335,619
Current assets		
Debtors	366,449	301,330
Derivative assets	16,184	9,700
Income tax receivable	1,398	332
Other assets	1,711	4,372
Cash and cash equivalents	22,474	22,676
Total Current assets	408,216	338,410
Total assets	3,577,041	2,674,029
Liabilities		
Non-current liabilities		
Financial liabilities designated at fair value through profit or loss	2,950,283	2,238,864
Derivative liabilities	219,677	141,301
Deferred tax liability	3,853	-
Total Non-current Liabilities	3,173,813	2,380,165
Current liabilities		
Financial liabilities designated at fair value through profit or loss	145,832	86,430
Creditors	2,973	100,220
Derivative liabilities	9,176	13,651
Accrued expenses and other liabilities	12,993	63
Total Current Liabilities	170,974	200,364
Total liabilities	3,344,787	2,580,529
Issued capital and reserves		
Share capital	-	-
Other reserves	(40,534)	(76,191)
Share premium	120,437	35,437
Retained earnings	134,254	109,463
Undistributed profits	18,097	24,791
Total equity	232,254	93,500
Total liabilities and equities	3,577,041	2,674,029

STATEMENT OF CHANGES IN EQUITY

The following tables contain MLBV's Statement of Changes in Equity for the years ended 31 December 2021 and 31 December 2020, extracted from the MLBV 2021 Accounts.

Movements in shareholders' equity during the year ended 31 December 2021 are as follows:

	Share capital $'000	Share premium $'000	Other reserves $'000	Retained earnings $'000	Undistributed profits $'000	Total Equity $'000
At 1 January 2021	-	35,437	(76,191)	109,463	24,791	93,500
Transfer to retained earnings	-	-	-	24,791	(24,791)	0
Profit for the year	-	-	-	-	18,907	18,907
Movement in debit valuation adjustment on structured notes	-	-	46,908	-	-	46,908
Tax relating to movement in debit valuation adjustment on structured notes	-	-	(11,251)	-	-	(11,251)
Total comprehensive income for the year	-	-	35,657	24,791	(6,694)	53,754
Transactions with owners in their capacity as owners:						
Share premium contribution	-	85,000	-	-	-	85,000
At 31 December 2021	**-**	**120,437**	**(40,534)**	**134,254**	**18,097**	**232,254**

Movements in shareholders' equity during the year ended 31 December 2020 are as follows:

	Share capital $'000	Share premium $'000	Other reserves $'000	Retained earnings $'000	Undistributed profit $'000	Total Equity $'000
At 1 January 2020	-	145,437	(65,381)	91,900	17,563	189,519
Transfer to retained earnings	-	-	-	17,563	(17,563)	-
Profit for the year	-	-	-	-	24,791	24,791
Movement in debit valuation adjustment on structured notes	-	-	(26,422)	-	-	(26,422)
Tax relating to movement in debit valuation adjustment on structured notes	-	-	15,612	-	-	15,612
Total comprehensive income for the year	-	-	(10,810)	17,563	7,228	13,981
Transactions with owners in their capacity as owners:						
Return of share premium	-	(110,000)	-	-	-	(110,000)
At 31 December 2020	**-**	**35,437**	**(76,191)**	**109,463**	**24,791**	**93,500**

MERRILL LYNCH INTERNATIONAL & CO. C.V.

Overview

Merrill Lynch International & Co. C.V. ("**MLICo.**") (acting by its general partner ML Cayman Holdings Inc.) is a Curaçao limited partnership of unlimited duration, organised under the laws of Curaçao which commenced operation on 1 August 1975 and was registered on 1 August 1975 under registered number 11705 in the Commercial Register of the Chamber of Commerce and Industry in Curaçao. MLICo. complies with the Curaçao corporate governance regime. MLICo. engages primarily in the issuance of warrants, certificates and related financial instruments and the distribution of managed fund products. Bank of America Corporation ("**BAC**") is the ultimate parent of MLICo. as further described below under "Partners".

MLICo. is part of BAC's group and transacts with, and depends on, entities within such group accordingly.

MLICo.'s registered office is at Kaya W.F.G. (Jombi) Mensing 36, Curaçao.

The objects of MLICo. are set out in MLICo.'s Partnership Agreement, and include purchasing, selling and underwriting securities. MLICo.'s Partnership Agreement is available as part of its constitutional documents as described in "General Information". There are no recent events which are to a material extent relevant to the evaluation of MLICo.'s solvency. MLICo. has made no principal investments since 31 December 2011 and MLICo. has made no firm commitments for any future principal investments, in each case, other than issuing W&C Instruments and, if applicable, entering into related arrangements.

MLICo's most recent by-laws are dated 16 November 2000 and its most recent Partnership Agreement is dated 11 July 2014.

Principal Activities

The principal activities of MLICo. are the issuance of warrants, certificates and related financial instruments, and distribution of Merrill Lynch International managed funds and other managed fund products.

MLICo.'s total capital amounts to U.S.$500,128,000, of which U.S.$500,010,000 has been contributed by the General Partner and U.S.$118,000 has been contributed by the Limited Partner.

Principal Markets in which MLICo. Competes

MLICo. principally issues securities in the international securities markets.

Trend Information

There are no known trends affecting MLICo. and the industries in which it operates.

Partners

ML Cayman Holdings Inc., a corporation organised under the laws of the State of Delaware in the United States, is the General, Managing and Directing Partner ("**General Partner**") of MLICo. Merrill Lynch International Services Limited ("**Limited Partner**"), a Canadian company, is the Limited Partner. Neither the General Partner nor the Limited Partner engages in any other activities other than being the General Partner or the Limited Partner of MLICo. as applicable.

The General Partner is vested with the power to direct the financial and business policies of MLICo. The General Partner determines the use and disposition of surplus and net profits.

The Limited Partner is indirectly wholly-owned by BAC.

The General Partner is wholly-owned by Merrill Lynch International, LLC, whose sole member is, NB Holdings Corporation which, in turn, is wholly-owned by BAC. Merrill Lynch International, LLC, is a limited liability company organised under the laws of the State of Delaware in the United States.

The Director of the General Partner is:

Name	Title
Mark Livingston	Director

The President of the General Partner is:

Name	Title
Mary Ann Olson	President

The above Directors and President are BAC group employees.

The registered address of the General Partner, its Directors and its President is c/o The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, United States.

The Director of the Limited Partner is:

Name	Title
Gaylen Duncan	Director

The Vice President of the Limited Partner is:

Name	Title
Mary Ann Olson	Vice President

The above Director and Vice President are BAC group employees.

The registered address of the Limited Partner and its Director is 129 Water Street, Box 38, Charlottetown, Prince Edward Island, Canada C1A 1A8.

There are no potential conflicts of interest between any duties to MLICo. of the General Partner or the Limited Partner and their private interests and/or other duties.

There are no principal activities performed by the Directors outside their functions in the respective capacities of the General Partners and the Limited Partner which are significant to MLICo. as issuer.

Corporate Governance

MLICo. has complied in all material respects with the corporate governance regime of Curaçao and all applicable provisions of Curaçao law.

SELECTED FINANCIAL DATA OF MERRILL LYNCH INTERNATIONAL & CO. C.V.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table contains MLICo.'s Statement of Profit or Loss and Other Comprehensive Income for the years ended 31 December 2021 and 31 December 2020, extracted from MLICo.'s 2021 Accounts.

	Year ended 31 December	
	2021 $'000	**2020 $'000**
Interest income	24,175	60,308
Interest expense	(5,707)	(29,426)
Net interest income	18,468	30,882
Other operating revenues	41,336	37,062
Net trading losses	(799)	(478)
Net operating revenue	59,005	67,466
Administrative expenses	(59,272)	(64,836)
(Loss)/Profit before tax	(267)	2,630
Tax on (loss)/profit	(8)	(-)
(Loss)/Profit for the year before Partners' remuneration and profit shares available for discretionary division among Partners	(275)	2,630
Other comprehensive income/(expense) for the year		
Items that will not be reclassified to profit and loss:	-	-
Movement in debit valuation reserve	491	(1,707)
Tax on movement in debit valuation reserve	-	(42)
Other comprehensive income/(expense) for the year	491	(1,749)
Total comprehensive income for the year before the General Partner's profit allocation	**216**	**881**

The total comprehensive income for the year is allocated to the General Partner.

STATEMENT OF FINANCIAL POSITION

The following table contains MLICo.'s Statement of Financial Position as at 31 December 2021 and 31 December 2020, extracted from MLICo.'s 2021 Accounts.

	As at 31 December	
	2021 $'000	**2020 $'000**
NON-CURRENT ASSETS		
Debtors	6,913,348	4,502,000
CURRENT ASSETS		
Long inventory positions	6,207,537	8,018,221
Debtors	56,508	4,848,360
Cash and cash equivalents	1,074	4,139
	6,265,119	**12,870,720**
TOTAL ASSETS	**13,178,467**	**17,372,720**
CURRENT LIABILITIES		
Short inventory positions	7	6
Bank overdraft	-	462
Creditors	12,550,303	16,740,652
TOTAL LIABILITIES	**12,550,310**	**16,741,120**
Net assets attributable to partners	628,157	631,600
Partners' capital and income accounts	628,157	631,600

MERRILL LYNCH INTERNATIONAL

History and Business

Merrill Lynch International ("**MLI**") is a private unlimited company incorporated on 2 November 1988 under the laws of England and Wales (Registered Number: 2312079). MLI's articles of association do not include any limitations on the duration of the company. MLI's immediate parent is ML UK Capital Holdings Limited ("**MLUKCH**"). The ultimate parent of the Company is BAC. MLI is BAC's largest entity outside the United States and helps serve the core financial needs of global corporations and institutional investors.

MLI's head office is in the UK with branches in Dubai and Qatar, along with a representative office in Zurich. MLI has the following subsidiary undertakings – Merrill Lynch Pierce Fenner & Smith Limited ("**MLPF&S**"), Bank of America Merrill Lynch UK Pension Plan Trustees Limited, Merrill Lynch Nominees Limited, Citygate Nominees Limited, S. N.C. Nominees Limited, Chetwynd Nominees Limited and Fundo de Investimento Financeiro Multimercado Iceberg.

MLI is authorised and regulated by the PRA and regulated by the FCA and the PRA (Firm Reference Number: 147150).

MLI's registered address is at 2 King Edward Street, London, EC1A 1HQ, United Kingdom.

MLI's Legal Entity Identifier (LEI) is GGDZP1UYGU9STUHRDP48.

Principal Activities

MLI's primary business activities are to provide a wide range of financial services to international clients in Europe, the Middle East and Africa, including the following:

- Acting as broker and dealer in equities and fixed income, currency and commodities financial instruments
- Providing investment banking advisory and underwriting services
- Providing post trade related services
- Providing equity and fixed income research

The objects of MLI are set out in paragraph 3 of its memorandum of association and include, inter alia, to carry on the business of a financial services and investment holding company (including dealing in investments), to render advisory, investment, managerial or other services, to engage in and carry on the business of brokers and dealers in certain securities, and to do all such other things as are incidental or conducive to the attainment of objects set out therein. In addition, such objects are not further restricted by MLI's articles of association.

MLI's most recent articles of association are dated 18 November 2010.

MLI Board Structure

Set forth below are the names of MLI's directors:

Name	Title
Bernard Mensah	Director
Martin Butler	Director
James O'Neil	Director
Pierre Jacques Philippe de Weck	Non-Executive Director
Richard Keys	Non-Executive Director
Rosemary Throne	Non-Executive Director
Lesley White	Non-Executive Director
Tom Woods	Non-Executive Director

Capital Structure

The issued and paid-up share capital of MLI is U.S. $7,933,027,945, consisting of 7,933,027,945 ordinary shares held by MLUKCH.

As of the date of this Offering Circular, MLI does not hold any treasury shares.

The ultimate parent of the MLI is BAC.

Ratings

As at the date of this Offering Circular, MLI's long-term senior debt is rated A+ (Positive) by Standard & Poor's and AA (Stable) by Fitch.

Credit ratings and outlooks may be adjusted over time, and so there is no assurance that these credit ratings and outlooks will be effective after the date of this Offering Circular. A credit rating is not a recommendation to buy, sell or hold any Instruments.

ERISA MATTERS

Any discussion of United States federal tax issues set forth in this Offering Circular was written in connection with the promotion and marketing of the Instruments by BAC, BofA Finance, MLBV, MLICo., the Dealers and the Managers (as applicable). Such discussion was not intended or written to be legal or tax advice to any person and was not intended or written to be used, and it cannot be used, by any person for the purpose of avoiding any United States federal tax penalties that may be imposed on such person. Each person considering an investment in the Instruments should seek advice based on its particular circumstances from an independent tax advisor.

BAC and certain affiliates of BAC may each be considered a "party in interest" within the meaning of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), or a "disqualified person" within the meaning of the Code with respect to employee benefit plans subject to Section 406 of ERISA and individual retirement accounts, Keoghs and other plans subject to Section 4975 of the Code (collectively, "**Covered Plans**"), or to have a similar relationship with governmental, church or non-U.S. plans that are subject to U.S. federal, state, local or non-U.S. laws that are substantially similar to Section 406 of ERISA or Section 4975 of the Code (collectively, "**Other Plans**"). Certain transactions between such a Covered Plan and a party in interest or disqualified person may result in "prohibited transactions" within the meaning of ERISA and the Code, and certain transactions between an Other Plan and a person with a similar relationship to an Other Plan may be similarly prohibited under other U.S. federal, state, local or non-U.S. laws, unless such transactions are effected pursuant to an applicable exemption.

In addition, certain regulatory requirements applicable under ERISA could cause investments by a Covered Plan in the Instruments (whether directly or indirectly) to be deemed to include not only the purchased Instruments but also an undivided interest in each of the underlying assets of the relevant Issuer. In the absence of an applicable exception to this general rule, the relevant Issuer could be considered to hold assets of the investing Covered Plan ("**plan assets**") such that the relevant Issuer and persons providing services in connection with such plan assets might be considered "parties in interest" or "disqualified persons" with respect to the investing Covered Plan and could be governed by the fiduciary responsibility provisions of Title I of ERISA and subject to the prohibited transaction provisions referenced above. If this were the case, certain actions taken by the relevant Issuer or service provider regarding those plan assets could be deemed to be a breach of such Issuer's or service provider's fiduciary obligations under Title I of ERISA or a prohibited transaction under ERISA or the Code. Similarly, investments by an Other Plan in the Instruments (whether directly or indirectly) may cause the relevant Issuer to be considered to hold assets of the investing Other Plan pursuant to other U.S. federal, state, local or non-U.S. laws and subject the relevant Issuer and persons providing services in connection with such assets to similar fiduciary and prohibited transaction requirements pursuant to such laws.

Under ERISA and various prohibited transaction class exemptions ("**PTCEs**") issued by the U.S. Department of Labor, exemptive relief may be available for direct or indirect prohibited transactions resulting from the purchase, holding or disposition of the Instruments by or on behalf of, or with the plan assets of, Covered Plans. Those exemptions include PTCE 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), and PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers). In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide statutory exemptive relief for certain arm's-length transactions with a person that is a party in interest solely by reason of providing services to employee benefit plans or being an affiliate of such a service provider. There may be similar exemptive relief under other U.S. federal, state, local or non-U.S. laws for transactions by or on behalf of, or with the assets of, Other Plans.

Because BAC and certain of its affiliates may be considered a party in interest or disqualified person with respect to many Covered Plans, or a person with a similar relationship to many Other Plans, the Instruments may not be purchased, held or disposed of by any Covered Plan or Other Plan, any entity whose underlying assets include plan assets by reason of any Covered Plan's investment in the entity or assets of an Other Plan by reason of any Other Plan's investment in the entity, or any person investing on behalf of or with plan assets of any Covered Plan or on behalf of or with assets of any Other Plan, unless such purchase, holding or disposition is eligible for statutory or administrative exemptive relief or such purchase, holding or disposition is otherwise not prohibited. Any purchaser, including any fiduciary purchasing on behalf of a Covered Plan or Other Plan, transferee or holder of the Instruments will be

deemed to have represented, in its corporate and its fiduciary capacity, by its purchase and holding of the securities that either (a) it is not a Covered Plan or Other Plan or an entity whose underlying assets include plan assets by reason of any Covered Plan's investment in the entity or an entity whose underlying assets include assets of an Other Plan by reason of any Other Plan's investment in the entity, and is not purchasing such securities on behalf of or with plan assets of any Covered Plan or on behalf of or with any assets of an Other Plan; or (b) its purchase, holding and disposition are eligible for exemptive relief or such purchase, holding and disposition are not prohibited by ERISA or Section 4975 of the Code (or in the case of an Other Plan any substantially similar U.S. federal, state, local or non-U.S. law). In addition, any acquisition, purchase or holding of the Instruments by or on behalf of any Covered Plan or Other Plan, or with the plan assets of any Covered Plan or assets of any Other Plan, may be conditioned on BAC and the relevant Issuer's obtaining comfort to its or their satisfaction that such acquisition, purchase or holding will not cause any assets of the relevant Issuer to be treated as plan assets for the purposes of ERISA or any regulation or other guidance thereunder (or in the case of an Other Plan, as assets of the Other Plan under any other U.S. federal, state, local or non-U.S. law).

A fiduciary purchasing Instruments on behalf of or with plan assets of any Covered Plan should determine whether the investment is in accordance with the documents and instruments governing the plan and the applicable provisions of ERISA and the Code relating to a fiduciary's duties to the plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA and the Code. A person purchasing Instruments on behalf of or with assets of an Other Plan should make the same determination in light of any U.S. federal, state, local or non-U.S. laws applicable to such plan. Due to the complexity of the rules discussed in this section and the penalties that may be imposed upon persons involved in fiduciary breaches or non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing Instruments on behalf of or with plan assets of any Covered Plan (or on behalf of or with assets of any Other Plan) consult with their legal and tax counsel regarding the potential consequences of the investment and the availability of exemptive relief. In this regard, each purchaser, subsequent transferee and holder of any Instrument hereunder will be deemed to make certain representations. See "Notice to Purchasers and Holders of Instruments and Transfer Restrictions". In addition, any purchaser, including any fiduciary purchasing on behalf of a Covered Plan or Other Plan, transferee or holder of the Instruments will be deemed to have represented, in its corporate and its fiduciary capacity, by its purchase and holding of the securities that none of the relevant Issuer or any of its affiliates are or will be deemed to be a fiduciary (under Section 3(21) of ERISA or under any similar laws) with respect to the decision to acquire, hold or dispose of the Instruments and that none of the relevant Issuer or any of its affiliates is undertaking to provide investment advice or give advice in a fiduciary capacity with respect to such decision.

TAXATION

The following comments are of a general nature and apply only to the jurisdiction stated, are based on the Issuers' understanding of current law and practice and are included in this Offering Circular solely for information purposes. These comments are not intended to be, nor should they be regarded as, legal or tax advice. The precise tax treatment of a holder of an instrument that is either a Note, Warrant or Certificate will depend for each issue on the terms of the Notes, Warrants or Certificates, as specified in the "Terms and Conditions of the Notes" or the "Terms and Conditions of the W&C Instruments" (as applicable), as amended and supplemented by the applicable Final Terms under the law and practice at the relevant time. Prospective holders of Notes, Warrants or Certificates should consult their own tax advisers in all relevant jurisdictions to obtain advice about their particular tax treatment in relation to such Notes, Warrants or Certificates.

UNITED STATES FEDERAL INCOME TAXATION

General

Except with respect to the discussion under "Instruments Issued by MLBV or MLICo—Rule 144A Instruments subject to LEPW Conditions", the following is a summary of certain United States federal income tax considerations applicable to an investment in the Instruments by holders who are United States Aliens (as defined in Condition 9 of the "Terms and Conditions of the Notes") who are the original purchasers of the Instruments and who have not purchased, and do not hold, the Instruments in connection with a United States trade or business. For United States federal income tax purposes, Notes issued by BofA Finance will be treated as if they were issued by BAC. Accordingly, throughout this tax discussion, references to "Notes issued by BAC" will also include Notes issued by BofA Finance. In addition, for purposes of the following discussion, it is assumed that no Instruments in bearer form are issued.

If an entity or arrangement treated as a partnership for United States federal income tax purposes holds the Instruments, the United States federal income tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding the Instruments should consult its own tax advisor regarding the United States federal income tax consequences to the partner of the acquisition, ownership and disposition by the partnership of the Instruments.

In addition, this summary is for general information only, and does not purport to discuss all aspects of United States federal income taxation that may be important to a particular holder in light of its circumstances or to holders subject to special tax rules, such as trusts, estates, controlled foreign corporations, passive foreign investment companies, personal holding companies, or the beneficiaries or shareholders of such entities.

Notes Issued by BAC

Notes Other Than Structured Notes

In respect of Notes issued by BAC other than Notes that are specified as "Structured Notes" in the applicable Final Terms, under the United States federal income tax laws as in effect on the date of this Offering Circular, and subject to the discussion below, payments of principal and interest (including original issue discount), if any, by the Issuer or any Paying Agent (acting in its capacity as such), to any holder of such Note who is a United States Alien holder generally will not be subject to United States federal income or withholding tax, in the case of interest (including original issue discount), provided that:

(a) such holder does not actually or constructively own 10 per cent. or more of the total combined voting power of all classes of stock of the Issuer entitled to vote;

(b) such holder is not a controlled foreign corporation for United States federal income tax purposes that is related to the Issuer (directly or indirectly) through stock ownership;

(c) the interest is not received by a bank on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(d) the interest is not effectively connected with the conduct of a trade or business within the United States; and

(e) either (i) the holder provides the Issuer (or any paying agent) with a statement which sets forth its address, and certifies, under penalties of perjury, that it is not a United States person (which certification generally may be made on a United States Internal Revenue Service (the "**IRS**") Form W-8BEN or W-8BEN-E (or successor form)) or (ii) a financial institution holding the Note on behalf of the holder certifies, under penalties of perjury (which certification generally may be made on an IRS Form W-8IMY or W-8BEN-E (or successor form)), that it has received and will provide the Issuer (or the paying agent) with a statement described in (i) above (the "**Certification Requirement**").

Payments to United States Alien holders not meeting the requirements set forth above are subject to withholding at a rate of 30 per cent. unless (A) the holder is engaged in a trade or business in the United States and the holder provides a properly executed IRS Form W-8ECI (or successor form) certifying that the payments are effectively connected with the conduct of a trade or business in the United States, or (B) the holder provides a properly executed IRS Form W-8BEN or W-8BEN-E (or successor form) claiming an exemption from, or reduction in the rate of, withholding under the benefit of a tax treaty. To claim benefits under an income tax treaty, a United States Alien holder must obtain a taxpayer identification number and certify as to its eligibility under the appropriate treaty's limitations on benefits article. In addition, special rules may apply to claims for treaty benefits made by holders that are entities rather than individuals. Under Section 871(h)(4)(A) of the Internal Revenue Code of 1986 (the "**Code**"), payments of certain types of contingent interest to a United States Alien holder (or any foreign partnership without regard to its status as a United States Alien) may be subject to United States withholding tax equal to 30 per cent. of each such payment (or such lower amounts as provided by treaty). If any Note not specified as a Structured Note in the applicable Final Terms bears contingent interest, the applicable Final Terms will specify if interest payments on such Notes are subject to any United States withholding taxes.

Structured Notes

Certain Notes issued by BAC will be specified as "Structured Notes" in the applicable Final Terms. The applicable Final Terms will indicate whether the Issuer will withhold or does not intend to withhold any United States taxes in respect of any payments on Structured Notes. Except to the extent specified in the applicable Final Terms, the Issuer or its agent generally intends to withhold on all payments designated as "interest" in the applicable Final Terms (and other amounts subject to withholding) on Structured Notes that are not treated as indebtedness for United States federal income tax purposes, without being required to pay any Additional Tax Amounts with respect to amounts withheld. Except to the extent specified in the Final Terms, while the United States federal income and withholding tax treatment of a Structured Note will generally depend on the particular terms of such Note, subject to the discussion below, the Issuer generally does not intend to withhold United States federal income tax with respect to payments on Structured Notes that are treated as indebtedness for United States federal income tax purposes, including payments of principal and interest (including original issue discount), if any, by the Issuer or any Paying Agent (acting in its capacity as such) to any holder of such a Note who is a United States Alien, provided that, in the case of interest (including original issue discount), the requirements of (a) through (e) under "Notes Other Than Structured Notes" above are met for all Notes. All holders should consult the applicable Final Terms as to the Issuer's intention with respect to withholding. Except to the limited extent set forth in the Terms and Conditions and the applicable Final Terms, the Issuer does not assume any liability for the payment of any tax which it withholds on Structured Notes or any additional amount in respect thereof.

Special rules may apply to the extent that any portion of a payment is treated as a dividend or "dividend equivalent" for certain United States federal income tax purposes. The Issuer (or an applicable withholding agent) will withhold on such payments to the extent required by law. A dividend equivalent payment is treated as a dividend from sources within the United States and such payments generally would be subject to a 30 per cent. United States withholding tax (or less under an applicable treaty, if any) if paid to a United States Alien holder. Under United States Department of the Treasury (the "**U.S. Treasury**") regulations issued pursuant to Code Section 871(m), payments (including deemed payments) with respect to equity-linked instruments ("**ELIs**") that are "specified ELIs" may be treated as dividend equivalents if such specified ELIs reference an interest in a United States "underlying security", which

is generally any interest in an entity taxable as a corporation for United States federal income tax purposes if a payment with respect to such interest could give rise to a U.S. source dividend.

A specified ELI is an ELI that: (i) if it is classified as "simple," has a "delta" equal to 0.80 or greater with respect to a United States underlying security at the time it is issued, or (ii) if it is classified as "complex," meets a substantial equivalence test at the time it is issued. The regulations provide that the delta of an ELI is the ratio of the change in the fair market value of the ELI to a small change in the fair market value of the property referenced by the ELI. The regulations are extremely complex, and significant aspects of the application of the regulations to the Instruments are uncertain. Specified ELIs generally do not include (1) ELIs issued prior to January 1, 2023 that are not delta-one instruments, or (2) ELIs that are treated as referencing a "qualified index." However, it is possible that Instruments could be treated as deemed reissued for United States federal income tax purposes upon the occurrence of certain events affecting the reference asset or the Instruments, and following such occurrence the Instruments could be treated as subject to withholding on dividend equivalent payments.

A qualified index is a passive index that (1) is based on a diverse basket of publicly traded securities, (2) is widely used by numerous market participants, and (3) meets certain specified requirements set forth in the applicable Treasury regulations. The qualified index determination is made on the first business day of the calendar year in which the ELI is issued. If, in connection with the purchase of an ELI that references an index, a taxpayer enters into one or more transactions that reduce exposure to components of the index, the ELI is not treated as referencing a qualified index.

If any payments are treated as dividend equivalents subject to withholding, the Issuer (or an applicable withholding agent) would be entitled to withhold taxes without being required to pay any Additional Tax Amounts with respect to amounts so withheld.

The United States federal income and withholding tax consequences applicable to certain Structured Notes are uncertain. No statutory, judicial, or administrative authority directly addresses the characterisation of such Notes or notes similar to such Notes for United States federal income, withholding, or other tax purposes. All holders should consult their tax advisors regarding the United States federal income and withholding tax consequences to them of holding such Notes.

The IRS has released a notice (the "**Notice**") in which it sought comments on the taxation of financial instruments referred to as "prepaid forward contracts". According to the Notice, the IRS and U.S. Treasury are considering whether a holder of such an instrument should be required to accrue ordinary income on a current basis, regardless of whether any payments are made prior to maturity. The IRS and U.S. Treasury are also considering additional issues, including whether foreign holders of such instruments should be subject to withholding tax on any deemed income accruals. It is not possible to determine what guidance the IRS and U.S. Treasury will ultimately issue, if any, and whether any such guidance would be retroactive. Any such guidance may affect the United States federal income and withholding tax treatment of Structured Notes.

In general, United States backup withholding and information reporting may apply to payments on Notes issued by BAC and held by a United States Alien holder unless the United States Alien holder complies with applicable certification procedures to establish that it is not a United States person and BAC does not have actual knowledge or reason to know that the certification is false (or such holder otherwise establishes an exemption). The treatment of Notes for purposes of United States backup withholding tax and information reporting requirements will generally depend on the particular terms of such Note, the characteristics of the person or entity making a payment and the payee, and the circumstances of payment. Holders should consult their own tax advisors regarding the application of the backup withholding tax and information reporting rules.

Instruments Issued by MLBV or MLICo.

General

While the United States federal income and withholding tax treatment of an Instrument will generally depend on the particular terms of such Instrument, the relevant Issuer, except as otherwise indicated in the applicable Final Terms or as described below, generally does not intend to withhold United States federal income tax with respect to payments (other than payments treated as dividends or "dividend equivalents" pursuant to United States federal income tax law), including payments of principal and

interest (including original issue discount), if any, by the relevant Issuer or any Paying Agent or Instrument Agent (acting in its capacity as such) outside the United States to any holder of an Instrument who is a United States Alien.

Special rules may apply to payments treated as contingent interest or as dividends for certain United States federal income tax purposes.

As noted above, special rules may apply to the extent that any portion of a payment or deemed payment is treated as a dividend or "dividend equivalent" for certain United States federal income tax purposes. The relevant Issuer (or an applicable withholding agent) will withhold on such payments to the extent required by law. A dividend equivalent payment is treated as a dividend from sources within the United States and such payments generally would be subject to a 30 per cent. United States withholding tax (or less under an applicable treaty, if any) if paid to a United States Alien holder. Under U.S. Treasury regulations issued pursuant to Code Section 871(m), payments (including deemed payments) with respect to ELIs that are "specified ELIs" may be treated as dividend equivalents if such specified ELIs reference an interest in a United States "underlying security", which is generally any interest in an entity taxable as a corporation for United States federal income tax purposes if a payment with respect to such interest could give rise to a United States source dividend.

A specified ELI is an ELI that: (i) if it is classified as "simple," has a "delta" equal to 0.80 or greater with respect to a United States underlying security at the time it is issued, or (ii) if it is classified as "complex," meets a substantial equivalence test at the time it is issued. The regulations provide that the delta of an ELI is the ratio of the change in the fair market value of the ELI to a small change in the fair market value of the property referenced by the ELI. The regulations are extremely complex, and significant aspects of the application of the regulations to the Instruments are uncertain. Specified ELIs generally do not include (1) ELIs issued prior to January 1, 2023 that are not delta-one instruments or (2) ELIs that are treated as referencing a "qualified index." However, it is possible that Instruments could be treated as deemed reissued for United States federal income tax purposes upon the occurrence of certain events affecting the reference asset or the Instruments, and following such occurrence the Instruments could be treated as subject to withholding on dividend equivalent payments.

A qualified index is a passive index that (1) is based on a diverse basket of publicly traded securities, (2) is widely used by numerous market participants, and (3) meets certain specified requirements set forth in the applicable Treasury regulations. The qualified index determination is made on the first business day of the calendar year in which the ELI is issued. If, in connection with the purchase of an ELI that references an index, a taxpayer enters into one or more transactions that reduce exposure to components of the index, the ELI is not treated as referencing a qualified index.

If any payments are treated as dividend equivalents subject to withholding, the relevant Issuer (or an applicable withholding agent) would be entitled to withhold taxes without being required to pay any Additional Tax Amounts with respect to amounts so withheld.

Neither the relevant Issuer nor the Guarantor assumes any liability for the payment of any tax which it is required to withhold or any additional amount in respect thereof, except that in certain circumstances set forth in Condition 9 (*Taxation*) of the "Terms and Conditions of the Notes", Additional Tax Amounts may be paid with respect to a Note in connection with taxes. The United States federal income and withholding tax consequences of certain Instruments linked to Reference Item(s) are uncertain. No statutory, judicial, or administrative authority directly addresses the characterisation of such Instruments or securities similar to such Instruments for United States federal income, withholding, or other tax purposes. All holders should consult their tax advisors regarding the United States federal income and withholding tax consequences to them of holding such Instruments.

As noted above, the IRS released the Notice in which it sought comments on the taxation of financial instruments referred to as "prepaid forward contracts". According to the Notice, the IRS and U.S. Treasury are considering whether a holder of such an instrument should be required to accrue ordinary income on a current basis, regardless of whether any payments are made prior to maturity. The IRS and U.S. Treasury are also considering additional issues, including whether foreign holders of such instruments should be subject to withholding tax on any deemed income accruals. It is not possible to determine what guidance the IRS and U.S. Treasury will ultimately issue, if any, and whether any such guidance would be retroactive. Any such guidance may affect the United States federal income and withholding tax treatment of the Instruments.

A United States Alien holder generally will not be subject to United States federal income tax on any gain realised on the sale, exchange, or retirement of an Instrument (other than gains treated as dividends or "dividend equivalents" pursuant to United States federal income tax law), provided that (a) the gain is not effectively connected with the conduct of trade or business within the United States, or a permanent establishment maintained in the United States if certain tax treaties apply, (b) in the case of a United States Alien holder that is an individual, the United States Alien holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement of the Instrument, (c) the Instrument is not a "United States real property interest" for United States federal income tax purposes, and (d) the United States Alien holder is not subject to tax pursuant to certain provisions of United States federal income tax law applicable to certain expatriates.

In general, United States backup withholding and information reporting should not apply to payments on the Instruments (except with respect to dividends or dividend equivalents) held by a United States Alien holder and received outside the United States through a non-United States bank or other non-United States financial institution. Proceeds of sales and payments on the Instruments received within the United States or through certain United States related financial institutions may be subject to backup withholding and information reporting unless the United States Alien holder complies with applicable certification procedures to establish that it is not a United States person and the relevant Issuer does not have actual knowledge or reason to know that the certification is false (or such holder otherwise establishes an exemption). The treatment of Instruments for purposes of United States backup withholding tax and information reporting requirements will generally depend on the particular terms of such Instrument, the characteristics of the person or entity making a payment and the payee, and the circumstances of payment. Holders should consult their own tax advisors regarding the application of the backup withholding tax and information reporting rules.

Rule 144A Instruments subject to LEPW Conditions

The following is a summary of certain United States federal income tax considerations applicable to the acquisition, ownership, and disposition of certain Rule 144A Instruments (including Rule 144A Instruments that are represented by a Regulation S/Rule 144A Global Instrument but excluding Secured W&C Instruments) that are subject to the LEPW Conditions (the "**Rule 144A LEPW**"). The following discussion is not exhaustive of all possible tax considerations. This summary is based upon the Code, regulations promulgated under the Code by U.S. Treasury (including proposed and temporary regulations), rulings, current administrative interpretations and official pronouncements of the IRS, and judicial decisions, all as currently in effect and all of which are subject to differing interpretations or to change, possibly with retroactive effect. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below.

This summary is for general information only, and does not purport to discuss all aspects of United States federal income taxation that may be important to a particular holder in light of its investment or tax circumstances or to holders subject to special tax rules, such as partnerships (or entities or arrangements treated as partnerships for United States federal income purposes), subchapter S corporations, or other pass-through entities, banks, financial institutions, tax-exempt entities, insurance companies, regulated investment companies, real estate investment trusts, trusts and estates, dealers in securities or currencies, traders in securities that have elected to use the mark-to-market method of accounting for their securities, certain accrual method taxpayers subject to special tax accounting rules as a result of their use of financial statements, persons holding a Rule 144A LEPW as part of an integrated investment, including a "straddle", "hedge", "constructive sale", or "conversion transaction", persons whose functional currency for tax purposes is not the United States dollar, persons holding a Rule 144A LEPW in a tax-deferred or tax-advantaged account, and persons subject to the alternative minimum or medicare contribution tax provisions of the Code. This summary does not include any description of the tax laws of any state or local governments, or of any foreign government, that may be applicable to a particular holder.

This summary is directed solely to United States Holders (as defined below) that, except as otherwise specifically noted, will purchase a Rule 144A LEPW upon original issuance and will hold the Rule 144A LEPW as a capital asset within the meaning of Section 1221 of the Code, which generally means property held for investment.

Holders should consult their own tax advisor concerning the United States federal income tax consequences to them of acquiring, owning, and disposing of a Rule 144A LEPW, as well as any tax

consequences arising under the laws of any state, local, foreign, or other tax jurisdiction and the possible effects of changes in United States federal or other tax laws.

As used herein, the term "United States Holder" means a beneficial owner of a Rule 144A LEPW that is for United States federal income tax purposes:

- a citizen or resident of the United States; or
- a corporation (including an entity treated as a corporation for United States federal income tax purposes) created or organised in or under the laws of the United States or of any state of the United States or the District of Columbia.

Although there is no statutory, judicial, or administrative authority directly addressing the characterisation of a Rule 144A LEPW, the relevant Issuer intends to treat the Rule 144A LEPW for all tax purposes as a single financial contract linked to the underlying index or shares. This discussion assumes that a Rule 144A LEPW constitutes a single financial contract linked to the underlying index or shares for United States federal income tax purposes. If a Rule 144A LEPW does not constitute a single financial contract, the tax consequences described below would be materially different.

This characterisation of a Rule 144A LEPW is not binding on the IRS or the courts. No statutory, judicial, or administrative authority directly addresses the characterisation of a Rule 144A LEPW or any similar instruments for United States federal income tax purposes, and no ruling is being requested from the IRS with respect to its proper characterisation and treatment. Due to the absence of authorities on point, significant aspects of the United States federal income tax consequences of an investment in a Rule 144A LEPW are not certain, and no assurance can be given that the IRS or any court will agree with the characterisation and tax treatment described herein. Accordingly, holders are urged to consult their tax advisor regarding all aspects of the United States federal income tax consequences of an investment in a Rule 144A LEPW, including possible alternative characterisations.

As noted above, the IRS released the Notice in which it sought comments on the taxation of financial instruments referred to as "prepaid forward contracts". According to the Notice, the IRS and U.S. Treasury are considering whether a holder of such an instrument should be required to accrue ordinary income on a current basis, regardless of whether any payments are made prior to maturity or settlement. The IRS and U.S. Treasury are also considering additional issues, including whether foreign holders of such instruments should be subject to withholding tax on any deemed income accruals. It is not possible to determine what guidance the IRS and U.S. Treasury will ultimately issue, if any, and whether any such guidance would be retroactive. Any such guidance may affect the United States federal income and withholding tax treatment of a Rule 144A LEPW.

Holders are urged to consult their own tax advisor concerning the impact and the significance of the above considerations. The relevant Issuer intends to continue treating a Rule 144A LEPW for United States federal income tax purposes in the manner described herein unless and until such time as the relevant Issuer, the IRS or U.S. Treasury determines, that some other treatment is more appropriate.

Unless otherwise stated, the following discussion is based on the characterisation described above. The discussion in this section assumes that there is a significant possibility of a significant loss of principal on an investment in a Rule 144A LEPW.

The relevant Issuer will not attempt to ascertain whether any of the entities whose stock is included in an underlying index or the issuer of any underlying shares is a "passive foreign investment company" ("**PFIC**") within the meaning of Section 1297 of the Code or a "financial asset" within the meaning of Section 1260 of the Code. If any of the entities whose stock is included in the underlying index or the issuer of any underlying shares were so treated, certain adverse United States federal income tax consequences could possibly apply. Holders should consult their tax advisor regarding the possible consequences to them in this regard.

Although the United States federal income tax treatment of any additional amounts paid with respect to a share linked Rule 144A LEPW is uncertain, the relevant Issuer intends to take the position, and the following discussion assumes, that any such additional amounts constitute taxable ordinary income to a United States Holder at the time received or accrued in accordance with the holder's regular method of accounting.

Subject to the final sentence of this paragraph, upon receipt of a cash payment on the settlement date or upon a sale or exchange of a Rule 144A LEPW prior to exercise, a United States Holder generally should recognise capital gain or loss equal to the difference between the amount realised and the holder's basis in the Rule 144A LEPW. This capital gain or loss generally will be long-term capital gain or loss if the United States Holder held the Rule 144A LEPW for more than one year. The deductibility of capital losses is subject to limitations. For this purpose, however, the relevant Issuer can provide no assurance on the proper treatment of the portion of the cash settlement amount, if any, equal to a fixed percentage p.a. of the issue price (the "**outperformance payment**") and the IRS may successfully assert that any amount attributable to the outperformance payment should be treated as ordinary income rather than as part of the amount realised.

Due to the absence of authorities that directly address the proper tax treatment of a Rule 144A LEPW, prospective investors are urged to consult their tax advisor regarding all possible alternative tax treatments of an investment in a Rule 144A LEPW. For example, the IRS could seek to treat a Rule 144A LEPW as a single debt instrument. If the IRS were successful in that regard, the timing and character of income on a Rule 144A LEPW would be affected significantly. In that case, if a Rule 144A LEPW has a term that exceeds one year, a United States Holder would generally be required to accrue interest currently over the term of the Rule 144A LEPW. In addition, any gain a United States Holder might recognise upon the settlement or upon a sale or exchange of the Rule 144A LEPW prior to exercise would be ordinary income and any loss recognised by a holder at such time would be ordinary loss to the extent of interest that same holder included in income in the current or previous taxable years in respect of the Rule 144A LEPW, and thereafter, would be capital loss. If the Rule 144A LEPW is treated as a single debt instrument that has a term of no more than one year, it would be treated as a single contingent short-term debt instrument, which would also result in tax consequences that are different from those described above. Other alternative United States federal income tax characterisations of a Rule 144A LEPW are possible, which, if applied, also could affect the timing and the character of a United States Holder's income or loss.

In general, backup withholding may apply in respect of the amounts paid to a United States Holder, unless such United States Holder provides proof of an applicable exemption or a correct taxpayer identification number, or otherwise complies with applicable requirements of the backup withholding rules. In addition, information returns will be filed with the IRS in connection with payments on the Rule 144A LEPW as well as in connection with the proceeds from a sale, exchange, or other disposition of the Rule 144A LEPW, unless the United States Holder provides proof of an applicable exemption from the information reporting rules. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a United States Holder's United States federal income tax liability provided the required information is furnished to the IRS.

The Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act ("**FATCA**") (Sections 1471 through 1474 of the Code) imposes a 30 per cent. United States withholding tax on certain United States source payments, including interest (and original issue discount), dividends (and dividend equivalents), or other fixed or determinable annual or periodical gain, profits, and income ("**Withholdable Payments**"), if paid to a foreign financial institution (including amounts paid to a foreign financial institution on behalf of a holder), unless such institution enters into an agreement with U.S. Treasury to collect and provide to U.S. Treasury substantial information regarding United States account holders, including certain account holders that are foreign entities with United States owners, with such institution. An Instrument may constitute an account for these purposes. The legislation also generally imposes a withholding tax of 30 per cent. on Withholdable Payments made to a non-financial foreign entity unless such entity provides the withholding agent with a certification that it does not have any substantial United States owners or a certification identifying the direct and indirect substantial United States owners of the entity. Under certain circumstances, a holder may be eligible for refunds or credits of such taxes.

In addition, under FATCA, "passthru payments" made by a foreign financial institution to "recalcitrant holders" or non-compliant foreign financial institutions are subject to a 30 per cent. United States withholding tax. A "recalcitrant holder" generally is a holder of an account with a foreign financial institution that fails to comply with reasonable requests for information that will help enable the relevant foreign financial institution to comply with its reporting requirements (an Instrument may constitute an account for these purposes). Pursuant to U.S. Treasury regulations, a passthru payment is any Withholdable Payment and any "foreign passthru payment", which has yet to be defined. Under the

regulations, the 30 per cent. United States withholding tax on "recalcitrant holders" or non-compliant foreign financial institutions may be imposed on United States source payments (e.g. dividend equivalent payments) made by an Issuer or any Paying Agent with respect to the Instruments and on non-United States source payments made after the second anniversary of the date of publication in the United States Federal Register of final regulations defining the term "foreign passthru payment" by an Issuer or any Paying Agent with respect to the Instruments.

If the relevant Issuer or any Paying Agent determines withholding is appropriate with respect to the Instruments, the relevant Issuer or such Paying Agent will withhold tax at the applicable statutory rate without being required to pay any Additional Tax Amounts with respect to amounts so withheld. However, the withholding tax will not be imposed on payments pursuant to obligations giving rise to Withholdable Payments solely because payments are treated as dividend equivalent payments if the obligation is outstanding six months after the date on which the obligation becomes subject to such treatment. In addition, payments on an Instrument will not be treated as "foreign passthru payments" if such Instrument is outstanding on or before the date that is six months after the date on which final regulations defining the term "foreign passthru payment" are filed with the United States Federal Register. Foreign financial institutions and non-financial foreign entities located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules. Holders are urged to consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Instruments.

THE UNITED STATES FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY OR MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISERS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF THE INSTRUMENTS, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS.

DUTCH TAXATION

This summary solely addresses the principal Dutch tax consequences of the acquisition ownership and disposal of Notes, Warrants or Certificates (together referred to as "**Instruments**") issued on or after the date of this Offering Circular and does not purport to describe every aspect of taxation that may be relevant to a particular holder. Tax matters are complex, and the tax consequences of an offering under the Programme to a particular holder of the Instruments will depend in part on such holder's circumstances. Accordingly, a holder is urged to consult his own tax advisor for a full understanding of the tax consequences of an offering under the Programme to him, including the applicability and effect of Dutch tax laws.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this summary the terms "the Netherlands" and "Dutch" are used, these refer solely to the European part of the Kingdom of the Netherlands.

This summary assumes that the Issuer is organised, and that its business will be conducted, in the manner outlined in this Offering Circular. A change to such organisational structure or to the manner in which the Issuer conducts its business may invalidate the contents of this summary, which will not be updated to reflect any such change.

This summary is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this Offering Circular. The tax law upon which this summary is based is subject to changes, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

The summary in this Dutch taxation paragraph does not address the Dutch tax consequences for a holder of Instruments who:

i. is a person who may be deemed an owner of Instruments for Dutch tax purposes pursuant to specific statutory attribution rules in Dutch tax law;

ii. is, although in principle subject to Dutch corporation tax, in whole or in part, specifically exempt from that tax in connection with income from Instruments;

iii. is an investment institution as defined in the Dutch Corporation Tax Act 1969;

iv. is an entity that, although in principle subject to Dutch corporation tax, is fully or partly exempt from Dutch corporation tax;

v. owns Instruments in connection with a membership of a management board or a supervisory board, an employment relationship, a deemed employment relationship or management role;

vi. has a substantial interest in the Issuer or a deemed substantial interest in the Issuer for Dutch tax purposes. Generally, a person holds a substantial interest if (a) such person – either alone or, in the case of an individual, together with his partner or any of his relatives by blood or by marriage in the direct line (including foster-children) or of those of his partner for Dutch tax purposes – owns or is deemed to own, directly or indirectly, 5 per cent. or more of the shares or of any class of shares of the Issuer, or rights to acquire, directly or indirectly, such an interest in the shares of the Issuer or profit participating certificates relating to 5 per cent. or more of the annual profits or to 5 per cent. or more of the liquidation proceeds of the Issuer, or (b) such person's shares, rights to acquire shares or profit participating certificates in the Issuer are held by him following the application of a non-recognition provision; or

vii. is for Dutch tax purposes taxable as a corporate entity and resident of Aruba, Curaçao or Sint Maarten.

Withholding tax

All payments under the Instruments may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority of or in the Netherlands, except that Dutch withholding tax may apply (a) with respect to payments of interest made or deemed to be made by the Issuer if the interest payments are made or deemed to be made to a related party which (i) is resident in a low-tax or non-cooperative jurisdiction as specifically listed in an annually updated Dutch regulation, (ii) has a permanent establishment in any such jurisdiction to which the interest is attributable, (iii) is neither resident in the Netherlands nor in a low-tax or non-cooperative jurisdiction, and is entitled to the interest with the main purpose or one of the main purposes to avoid withholding tax of another person, (iv) is a hybrid entity, or (v) is not resident in any jurisdiction, within the meaning of the Dutch Withholding Tax Act 2021, or (b) where Instruments are issued under such terms and conditions that such Instruments are capable of being classified as equity of the Issuer for Dutch tax purposes or actually function as equity of the Issuer within the meaning of article 10, paragraph 1, letter d of the Dutch Corporation Tax Act 1969 and where Instruments are issued that are redeemable in exchange for, convertible into or linked to shares or other equity instruments issued or to be issued by the Issuer or an entity related to the Issuer.

Taxes on income and capital gains

Resident holders of Instruments

A holder of Instruments who is resident or deemed to be resident in the Netherlands for Dutch tax purposes is fully subject to Dutch income tax if he is an individual or fully subject to Dutch corporation tax if it is a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, as described in the summary below.

Individuals deriving profits or deemed to be deriving profits from an enterprise

Any benefits derived or deemed to be derived from or in connection with Instruments that are attributable to an enterprise from which an individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the net value of an enterprise, other than as a shareholder, are generally subject to Dutch income tax at progressive rates up to 49.5%.

Individuals deriving benefits from miscellaneous activities

Any benefits derived or deemed to be derived from or in connection with Instruments that constitute benefits from miscellaneous activities by an individual are generally subject to Dutch income tax at progressive rates up to 49.5%.

An individual may, *inter alia*, derive or be deemed to derive benefits from or in connection with Instruments that are taxable as benefits from miscellaneous activities if his investment activities go beyond regular active portfolio management.

Other individuals

If a holder of Instruments is an individual whose situation has not been discussed before in this section "*Dutch taxation - Taxes on income and capital gains – Resident holders of Instruments*", the value of his Instruments forms part of the yield basis for purposes of tax on benefits from savings and investments. A deemed benefit, which is determined on the basis of progressive rates starting from 1.82% up to 5.53% per annum of this yield basis, is taxed at the rate of 31%. Actual benefits derived from or in connection with his Instruments are not subject to Dutch income tax.

Corporate entities

Any benefits derived or deemed to be derived from or in connection with Instruments that are held by a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, are generally subject to Dutch corporation tax.

General

A holder of Instruments will not be deemed to be resident in the Netherlands for Dutch tax purposes by reason only of the execution and/or enforcement of the documents relating to the issue of Instruments or the performance by the Issuer of its obligations under such documents or under the Instruments.

Non-resident Holders of Instruments

Individuals

If a holder of Instruments is an individual who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch income tax, he will not be subject to Dutch income tax in respect of any benefits derived or deemed to be derived from or in connection with Instruments, except if:

i. he derives profits from an enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, and such enterprise is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and his Instruments are attributable to such permanent establishment or permanent representative;

ii. he derives benefits or is deemed to derive benefits from or in connection with Instruments that are taxable as benefits from miscellaneous activities performed in the Netherlands; or

iii. he derives profits pursuant to the entitlement to a share in the profits of an enterprise, other than as a holder of securities, which is effectively managed in the Netherlands and to which enterprise his Instruments are attributable.

Corporate entities

If a holder of Instruments is a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, which is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch corporation tax, it will not be subject to Dutch corporation tax in respect of any benefits derived or deemed to be derived from or in connection with Instruments, except if:

i. it derives profits from an enterprise directly which is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and to which permanent establishment or permanent representative its Instruments are attributable; or

ii. it derives profits pursuant to a co-entitlement to the net value of an enterprise which is managed in the Netherlands, other than as a holder of securities, and to which enterprise its Instruments are attributable.

If a holder of Instruments is neither resident nor deemed to be resident in the Netherlands, such holder will for Dutch tax purposes not carry on or be deemed to carry on an enterprise, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands by reason only of the execution and/or enforcement of the documents relating to the issue of Instruments or the performance by the Issuer of its obligations under such documents or under Instruments.

Gift and inheritance taxes

No Dutch gift tax or Dutch inheritance tax will arise with respect to an acquisition or deemed acquisition of Instruments by way of gift by, or upon the death of, a holder of Instruments who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax except if, in the event of a gift whilst not being a resident nor being a deemed resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax, the holder of Instruments becomes a resident or a deemed resident in the Netherlands and dies within 180 days after the date of the gift.

For purposes of Dutch gift tax and Dutch inheritance tax, a gift of Instruments made under a condition precedent is deemed to be made at the time the condition precedent is satisfied.

Registration taxes and duties

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands in respect of or in connection with the execution and/or enforcement (including by legal proceedings and including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of Instruments, the performance by the Issuer of its obligations under such documents or under Instruments, or the transfer of Instruments, except that Dutch real property transfer tax may be due upon an acquisition, in connection with Instruments, of real property situated in the Netherlands, (an interest in) an asset that qualifies as real property situated in the Netherlands, or (an interest in) a right over real property situated in the Netherlands, for the purposes of Dutch real property transfer tax or where Instruments are issued under such terms and conditions that they represent (an interest in) an asset that qualifies as real property situated in the Netherlands, for the purposes of Dutch real property transfer tax.

LUXEMBOURG TAXATION

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Unless otherwise indicated, all information contained in this section is based on laws, regulations, practice and decisions in effect in Luxembourg at the date of this Offering Circular. Any changes could apply retroactively and could affect the continued validity of this summary.

This summary does not purport to be a comprehensive description of all potential Luxembourg tax considerations that may be relevant to a decision to invest in, own or dispose of the Instruments and is not intended as tax advice to any particular investor. This information also does not take into account the specific circumstances of particular investors. Prospective investors in the Notes, the Warrants and the Certificates (together referred to as "**Instruments**"), should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

This overview assumes that each transaction with respect to the Instruments is at arm's length. It also assumes that the relevant Issuer or Guarantor is at all times not a tax resident in Luxembourg for Luxembourg tax purposes.

Where in this summary English terms and expressions are used to refer to Luxembourg concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Luxembourg concepts under Luxembourg tax law.

The summary in this Luxembourg taxation paragraph does not address the Luxembourg tax consequences for a holder of Instruments who:

(i) is an investor as defined in a specific laws (such as the law of 11 May 2007 on family estate management companies, as amended, the law of 17 December 2010 on undertakings for collective investment, as amended, the law of 13 February 2007 on specialised investment funds, as amended, the law of 23 July 2016 on reserved alternative investment funds, the law of 22 March 2004 on securitisation, as amended, the law of 15 June 2004 on venture capital vehicles, as amended, the law of 13 July 2005 on pension saving companies and associations, and the law of 15 June 2004 on venture capital vehicles, as amended);

(ii) is, although in principle subject to Luxembourg tax, in whole or in part, specifically exempt from tax;

(iii) owns Instruments in connection with a membership of a management board or a supervisory board, an employment relationship, a deemed employment relationship or management role; or

(iv) has a substantial interest in the Issuer or a deemed substantial interest in the Issuer for Luxembourg tax purposes. Generally, a person holds a substantial interest if such person owns or is deemed to own, directly or indirectly, 10 per cent. or more of the shares or interest in an entity.

Withholding Tax

(i) **Non-resident holders of the Instruments**

Subject to the law of 23 December 2005 as amended (the "**23 December 2005 Law**") mentioned below, all payments under Instruments may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed in Luxembourg.

(ii) **Resident holders of the Instruments**

Under the 23 December 2005 Law, payments of interest or similar income made or ascribed by a Luxembourg paying agent to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20 per cent. (the "**20 per cent. Withholding Tax**").

Taxes on Income and Capital Gains

(i) **Non-resident Instrument holders**

Non-resident Instrument holders, not having a permanent establishment or a permanent representative, to which the Instruments or income thereon are attributable, are not subject to Luxembourg income taxes on interest accrued or received, redemption premiums or issue discounts, under the Instruments nor on capital gains realised on the disposal or redemption of the Instruments.

(ii) **Resident Instrument holders**

Individuals

A resident individual acting in the course of the management of a professional or business undertaking must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal in any form whatsoever, of the Instruments, in its taxable income for Luxembourg income tax purposes.

A resident Instrument holder, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest or similar income received (such as premiums or issue discounts) under the Instruments, except if tax is levied on such payments in accordance with the 23 December 2005 Law.

Pursuant to the 23 December 2005 Law, Luxembourg resident individuals acting in the course of the management of their private wealth can opt to self-declare and pay a 20 per cent. tax (the "**20 per cent. Self-Declared Tax**") on interest payments made by paying agents located in an

EU Member State other than Luxembourg or a Member State of the European Economic Area other than an EU Member State.

The 20 per cent. Withholding Tax or the 20 per cent. Self-Declared Tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth.

A gain realised by an individual Instrument holder, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Instruments is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Instruments were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax is levied on such interest in accordance with the 23 December 2005 Law.

Corporations

A corporate resident holder of Instruments must include any benefit accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Instruments, in its taxable income for Luxembourg income tax purposes.

Net Wealth Tax

Corporate holders of Instruments resident in Luxembourg and non-resident corporate holders of Instruments that maintain a permanent establishment or permanent representative in the Grand Duchy of Luxembourg to which or to whom such Instruments are attributable are subject to annual net wealth tax on their unitary value (i.e., non-exempt assets minus liabilities and certain provisions as valued according to valuation rules), levied at a rate of 0.5% if the unitary value does not exceed EUR 500,000,000 and 0.05% on the portion of the unitary value that exceeds EUR 500,000,000, in respect of the Instruments.

Individuals are not subject to Luxembourg net wealth tax.

Inheritance and Gift Tax

Where Instruments are transferred for non-consideration:

(i) no Luxembourg inheritance tax is levied on the transfer of the Instruments upon the death of a holder of Instruments in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes;

(ii) by way of gift, Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary or is registered in Luxembourg.

Other Taxes and Duties

It is not compulsory that the Instruments be filed, recorded or enrolled with any court or other authority in Luxembourg. No registration tax, transfer tax, capital tax, stamp duty or any other similar documentary tax or duty be paid in respect of or in connection with the issue of Instruments, the performance by the Issuer of its obligations under Instruments, or the transfer of Instruments.

A fixed or ad valorem registration duty in Luxembourg may however apply (i) upon voluntary registration of the Instruments before the Registration Duties, Estates and VAT Authority in Luxembourg, or (ii) if the Instruments are (a) enclosed to a compulsory registrable deed under Luxembourg law or (b) deposited with the official records of a notary.

CURAÇAO TAXATION

This summary solely addresses the principal Curaçao tax consequences of the acquisition, ownership and disposal of W&C Instruments issued on or after the date of this Offering Circular. It does not purport to describe every aspect of taxation that may be relevant to a particular holder of W&C Instruments (as defined below). Any potential investor should consult his tax adviser for more information about the tax consequences of acquiring, owning and disposing of W&C Instruments in his particular circumstances.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Curaçao tax law.

This summary is based on the tax law of Curaçao (unpublished case law not included) as it stands at the date of this Note, Warrant and Certificate Programme. The tax law upon which this summary is based, is subject to changes, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change. This summary assumes that (i) each transaction with respect to W&C Instruments is at arm's length, (ii) neither the Guarantor nor the Secured W&C Instrument Collateral Provider is resident nor deemed to be resident in Curaçao and neither the Guarantor nor the Secured W&C Instrument Collateral Provider has a permanent establishment nor a permanent representative in Curaçao, for Curaçao tax purposes, (iii) neither the General Partner nor the Limited Partner as described in this Offering Circular is resident or deemed to be resident in Curaçao nor considered as transparent for Curaçao tax purposes, (iv) no payment under W&C Instruments has been or will be secured by a mortgage on any real property, or on any rights on real property, situated within Curaçao, and (v) no W&C Instruments will be issued that are, in whole or in part, linked to shares of any one or more companies that are resident or deemed to be resident in Curaçao for Curaçao tax purposes.

Where in this Curaçao taxation paragraph reference is made to a "holder of W&C Instruments", that concept includes, without limitation:

1. an owner of one or more W&C Instruments who in addition to the title to such W&C Instruments has an economic interest in such W&C Instruments;

2. a person who or an entity that holds the entire economic interest in one or more W&C Instruments;

3. a person who or an entity that holds an interest in an entity, such as a partnership, that is transparent for Curaçao tax purposes, the assets of which comprise one or more W&C Instruments, within the meaning of 1. or 2. above.

Withholding Tax

All payments under W&C Instruments may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by Curaçao or any political subdivision or taxing authority of, or in, Curaçao.

Taxes on Income and Capital Gains

The summary set out in this section "Curacao Taxation - Taxes on Income and Capital Gains" applies only to a holder of W&C Instruments who is neither resident nor deemed to be resident in Curaçao for the purposes of Curaçao income or profit tax (a "**Non-Resident holder of W&C Instruments**").

A Non-Resident holder of W&C Instruments will not be subject to any Curaçao taxes on income or capital gains in respect of any benefits derived or deemed to be derived from W&C Instruments, including any payment under W&C Instruments and any gain realised on the disposal of W&C Instruments, provided that:

(i) such holder does not have an enterprise or profession or an interest in an enterprise or profession that is, in whole or in part, carried on in Curaçao by or for the account of such holder, and to which enterprise or profession or part of an enterprise or profession, as the case may be, his or its W&C Instruments are attributable;

(ii) the benefits under W&C Instruments are not derived or deemed to be derived in respect of an employment carried on in Curaçao or as part of an annuity within the meaning of the Income Tax Ordinance 1943 (*Landsverordening op de Inkomstenbelasting 1943*); and

(iii) if such holder is an individual and if such W&C Instruments are not considered securities (*effecten*) for Curaçao purposes, no payment under the W&C Instruments is contingent on the proceeds of any Curaçao enterprise or profession, nor on the quantities or proceeds of any product mined or processed in Curaçao.

Benefits derived or deemed to be derived from certain miscellaneous activities by a child or a foster-child who is under 18 years of age are attributed to the parent who exercises, or the parents who exercise, authority over the child, irrespective of the country of residence of the child.

Gift and Inheritance Taxes

No gift or inheritance tax will arise in Curaçao with respect to an acquisition of W&C Instruments by way of gift by, or on the death of, a holder of W&C Instruments who is neither resident nor deemed to be resident in Curaçao for Curaçao tax purposes.

A holder of W&C Instruments will not be deemed to be resident in Curaçao by reason only of the holding of W&C Instruments.

Turnover Tax

No turnover tax (*omzetbelasting*) or similar tax will arise in Curaçao in respect of any payment in consideration for the issue of W&C Instruments or with respect to any payment under the W&C Instruments provided that the W&C Instruments will neither be offered or deemed to be offered nor sold or deemed to be sold directly or indirectly to, nor will W&C Instruments be acquired or deemed to be acquired or owned or deemed to be owned by:

(i) an individual who is resident or deemed to be resident in Curaçao for Curaçao tax purposes; or

(ii) an entity which is resident or deemed to be resident in Curaçao for Curaçao tax purposes, and which is not in the possession of a foreign exchange license pursuant to article 23 of the Foreign Exchange Regulation Curaçao and Sint Maarten (*Regeling Deviezenverkeer Curaçao en Sint Maarten*); or

(iii) an individual who or an entity which is neither resident nor deemed to be resident in Curaçao and who or which is engaged in trade or business in Curaçao through a permanent establishment or through a permanent representative, for Curaçao tax purposes;

in each case: for the purposes of the Turnover Tax Ordinance (*Landsverordening Omzetbelasting 1999*).

Other Taxes and Duties

No Curaçao registration tax, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in Curaçao in respect of, or in connection with, the execution, delivery and/or enforcement by legal proceedings of the documents relating to the issue of W&C Instruments or the performance by the relevant Issuer or the Guarantor of its obligations under such documents or under W&C Instruments, provided these actions take place outside Curaçao. Stamp tax amounting to not more than NAFL 20 (U.S.$11.20) per page and registration tax of NAFL 10 (U.S.$5.60) per document are payable in case of registration in Curaçao of documents or if such documents are brought into the courts of Curaçao and court fees will be due in the case of litigation in the courts of Curaçao.

A holder of W&C Instruments will not incur or become liable for any Curaçao registration tax, transfer tax, stamp duty or any other similar documentary tax or duty by reason only of the acquisition, ownership or disposal of W&C Instruments.

SWITZERLAND

The following is a summary based on legislation as of the date of this Offering Circular. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Instruments. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Instruments (or options embedded therein) in light of their particular circumstances.

Swiss Federal Stamp Taxes

The issuance of Instruments to the initial holders at the original offering price (primary market) is not subject to Swiss federal issuance stamp tax (*Emissionsabgabe*) or Swiss federal securities turnover tax

(*Umsatzabgabe*), although the issuance of Instruments classified as fund-like instruments may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the offering price, but only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and no exemption applies.

Dealings in Instruments (secondary market) classified as pure derivative financial instruments (such as pure call and put options, including low exercise price options with maturities not exceeding twelve months, pure futures with maximum pre-financings of 25 per cent., fully-funded Instruments which statically replicate an index or a basket of at least five different shares and with a fixed maturity or annual redemption right) are not subject to Swiss federal securities turnover tax. Dealings in other Instruments may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the consideration paid if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and no exemption applies.

As part of the Swiss Act to Strengthen Debt Capital Markets ("**ASDCM**") as mentioned below, the ASDCM also exempts the issuance and redemption of units in non-Swiss investment funds holding exclusively debt instruments with a maturity of less than 397 days from the Swiss federal securities turnover tax. The entry into force is in principle expected as per 1 January 2023 (see also "—*Swiss Withholding Tax*").

The physical delivery of an Instrument at exercise or redemption to the holder of such Instrument may be subject to Swiss federal securities turnover tax of (i) 0.3 per cent., in the event that a security issued by an issuer outside Switzerland is delivered and (ii) 0.15 per cent., in the event that a security issued by a Swiss domestic issuer is delivered, in each case, only if a Swiss domestic securities dealer (as defined in the Swiss Federal Stamp Tax Act) is a party or an intermediary to the delivery and no exemption applies.

Swiss Withholding Tax

Payments under the Instruments are currently not subject to Swiss federal withholding tax provided that the relevant Issuer is at all times resident and effectively managed outside Switzerland for Swiss withholding tax purposes.

After a previously proposed Swiss withholding tax reform by the Swiss Federal Council, which particularly aimed to introduce a paying-agent system, received negative responses in the consultation procedure, the Swiss Federal Council decided to abandon the reform of the Swiss federal withholding tax to a paying-agent based regime. The Swiss Federal Council adopted its dispatch and published on 15 April 2021 the revised draft bill to pursue a reform of the Swiss withholding tax regime as part of the new legislative project ASDMC. The key measure from a withholding tax perspective is the abolishment of withholding tax on most forms of interest payments, namely bond interest payments. After the ASDCM's entry into force, the only Swiss interest payments that will continue to be subject to withholding tax are interest payments on deposits of private individuals resident in Switzerland with Swiss banks and insurance companies. On 17 December 2021, the Swiss parliament approved the ASDCM. The ASDCM was originally expected to enter into force on 1 January 2023, with certain parts possibly entering into force at a later date. However, the ASDCM is subject to a referendum. Only if the referendum is not successful, the ASDCM will enter into force as per 1 January 2023 (or such other date as determined by the Swiss Federal Council).

Income Taxation

Non-Swiss resident Holders

A holder of an Instrument who is not resident in Switzerland and who during the tax year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will not be subject to income tax in Switzerland in respect of such Instrument.

Instruments held as Private Assets by a Swiss resident Holder

(a) *Structured Notes*

If an Instrument is classified as a structured note, its income taxation depends on whether the bond and the derivative financial instrument(s) embedded therein are recorded separately from

each other and whether the Instrument is classified as a structured note with or without a predominant one-time interest payment:

Non-transparent derivative financial instruments: If the embedded bond is not recorded separately from the embedded derivative financial instrument(s), the Instrument classifies as a non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "Transparent derivative financial instruments with a predominant one-time interest payment".

Transparent derivative financial instruments without a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment (see below "Transparent derivative financial instruments with a predominant one-time interest payment"), then any periodic interest payment and the one-time interest payment is taxed when paid to the holder of the Instrument. A gain, including interest accrued, or a loss, as the case may be, realised on the sale of an Instrument is a tax-free private capital gain or a non-tax-deductible private capital loss, as applicable (see below "Capital Gains Taxation - Instruments held as Private Assets by a Swiss resident Holder"). The same applies if the Instrument is redeemed except that interest accrued is taxed when paid.

Transparent derivative financial instruments with a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from a one-time interest payment such as an original issue discount or a repayment premium and not from periodic interest payments, then any periodic interest payments and upon the sale or redemption of the Instrument, the difference between the value of the embedded bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss Francs at the exchange rate prevailing at the time of redemption or sale, issuance or purchase, respectively (modified differential taxation method) constitutes taxable income. A value decrease on the embedded bond respectively realised on the sale or redemption of the Instrument may be offset against any gains (including periodic interest payments) realised within the same taxation period from all instruments with a predominant one-time interest payment. Any residual return realised on the embedded derivative financial instrument(s) is a tax-free private capital gain, and any residual loss is a non-tax-deductible private capital loss, respectively (see below "Capital Gains Taxation - Instruments held as Private Assets by a Swiss resident Holder").

(b) *Bonds*

Bonds without a predominant one-time interest payment: If an Instrument classifies as a pure bond without a predominant one-time interest payment (the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment), Swiss resident private investors will be taxed on the periodic and any one-time interest payments, converted into Swiss Francs at the exchange rate prevailing at the time of payment. A gain, including interest accrued, or a loss, as the case may be, realised on the sale of an Instrument is a tax-free private capital gain or a non-tax-deductible private capital loss, as applicable (see below "*Capital Gains Taxation - Instruments held as Private Assets by a Swiss resident Holder*").

Bonds with a predominant one-time interest payment: If an Instrument classifies as a pure bond with a predominant one-time interest payment (the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), Swiss resident private investors will be taxed on any periodic interest payments and on any gains, including capital and foreign exchange gains, realised on the Instruments (differential taxation method).

(c) *Pure Derivative financial instruments*

Periodic and one-time dividend equalisation payments realised on an Instrument which classifies as a pure derivative financial instrument (such as pure call and put options, including low exercise price options with a maturity not exceeding one year, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) and which is held as part of their private assets constitute taxable investment income. Any other return will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "*Capital Gains Taxation - Instruments held as Private Assets by a Swiss resident Holder*").

(d) *Low Exercise Price Options*

According to the current practice of the Swiss Federal Tax Administration, low exercise price options are given if the underlying of an option has been pre-financed by at least 50 per cent. at the time of issuance.

For low exercise price options with a maturity exceeding one year the interest component of the low exercise price option (i.e. issue discount) constitutes taxable investment income. Any other return will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "*Capital Gains Taxation - Instruments held as Private Assets by a Swiss resident Holder*").

(e) *Fund-like instruments*

An Instrument classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Instrument as part of private assets only receives taxable income (which he or she must report annually) over such portion of the distributions (if the fund is distributing the income realised on the underlying investments) or earnings credits (if the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain and any respective loss on the underlying investments is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like instrument (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised a non-tax-deductible capital loss (see below "*Capital Gains Taxation - Instruments held as Private Assets by a Swiss resident Holder*").

Instruments held as Assets of a Swiss Business

Corporate entities and individuals who hold Instruments as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Instruments (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities.

Capital Gains Taxation

Instruments held as Private Assets by a Swiss resident Holder

A gain or a loss, as the case may be, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of an Instrument held as part of his or her private assets is a tax-free private capital gain or a non-tax deductible capital loss, as applicable, unless such individual is classified, for income tax purposes, as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as "professional securities dealer" he or she will be taxed in accordance with the principles set forth below under "Instruments held as Assets of a Swiss Business". Concerning the bifurcation of a tax-exempt capital gains component or non-

tax deductible capital loss component, as the case may be, from taxable income components of an Instrument see the bifurcation principles set forth above with regard to the different instruments under "Income Taxation - Instruments held as Private Assets by a Swiss resident Holder").

Instruments held as Assets of a Swiss Business

Capital gains realised on Instruments held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under "Income Taxation - Instruments held as Assets of a Swiss Business").

Gift, Inheritance and Estate Taxes

Subject to an applicable tax treaty in an international scenario, transfers of Instruments may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, or the donor is resident in Switzerland, or, in the case of a foreign deceased or resident person, the transfer involves an unincorporated business in Switzerland and Instruments are held as part of such business or a cantonal/communal gift/inheritance/estate tax is levied based on movable property in its territory. No such taxes exist at the federal level. Tax rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift and the relevant Swiss canton/commune. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at very low rates (approximately up to 7 per cent.). Gifts and inheritances received from unrelated persons attract rates ranging from approximately 20 per cent. to 55 per cent. The taxable base is usually the market value of the property transferred.

Net Worth and Capital Taxes

A holder of Instruments who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Instruments as part of a Swiss business operation or a Swiss permanent establishment is required to report Instruments as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Instruments), in the case of non-Swiss resident individual holding Instruments as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Instruments are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding Instruments as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes exist at the federal level.

Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. On 8 October 2014, the Swiss Federal Council approved a mandate for negotiations with the U.S. on changing the current direct-notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities.

Automatic Exchange of Information in Tax Matters

Switzerland has concluded a multilateral agreement with the European Union on the international automatic exchange of information (the "**AEOI**") in tax matters. The agreement became effective as of 1 January 2017 and applies to all 27 EU member states. Also on 1 January 2017 the multilateral competent authority agreement on the automatic exchange of financial account information (the "**MCAA**"), and based on the MCAA, a number of bilateral AEOI agreements with other countries became effective. Based on such agreements and the implementing laws of Switzerland, Switzerland collects data in respect of financial assets, including, as the case may be, Instruments, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit

of individuals resident in an EU member state or resident in a treaty state. In accordance with such multilateral agreements and bilateral agreements and the implementing laws of Switzerland, Switzerland has begun to exchange data so collected, and such data may include data about payments made in respect of the Instruments. Switzerland has signed and intends to sign further AEOI agreements with further countries, which, subject to ratification, will become effective at a later date. An up-to-date list of the AEOI agreements of Switzerland in effect or signed and becoming effective can be found on the website of the State Secretariat for International Financial Matters.

UNITED KINGDOM TAXATION

The following is a summary of the United Kingdom withholding tax treatment of payments under the Instruments, of certain other United Kingdom tax considerations relating to the acquiring, holding, exercising or disposing of Instruments and of certain aspects of the United Kingdom stamp duty and stamp duty reserve tax treatment of the issue, transfer and exercise of Instruments. It is based on current United Kingdom tax law and HM Revenue & Customs' ("**HMRC**") published practice. The comments only apply to Holders that are the beneficial owners of Instruments who acquire and hold Instruments as an investment and do not apply to certain classes of person (such as unit trusts, open-ended investment companies, persons connected with the relevant Issuer and persons carrying on a trade of dealing in financial instruments) to whom special rules may apply. The comments are intended as a general guide and should be treated with appropriate caution, particularly since the precise provisions of the Final Terms could alter the tax treatment of any given Instruments. This summary is not intended to be exhaustive and does not cover any issues or taxes not expressly covered; nor should it be considered legal or tax advice to any person. The summary does not take into account the effect of any overriding anti-avoidance principles or legislation that may apply to Holders in their particular circumstances or to any wider arrangements to which they may be a party. Each potential purchaser is advised to consult its own tax adviser as to the United Kingdom tax consequences attributable to acquiring, holding, exercising and disposing of Instruments and as to other United Kingdom and non-United Kingdom applicable taxes.

The references to "interest" in this United Kingdom taxation section mean "interest" as understood in United Kingdom tax law. The statements do not take account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Instruments or any related documentation. In particular, any premium element of the redemption amount of any Instruments redeemable at a premium and any additional amounts payable under W&C Instruments may constitute a payment of interest.

Potential individual purchasers who are resident for tax purposes in the United Kingdom but who are not United Kingdom-domiciled should consult their own tax advisers as to which Instruments do or do not benefit from a non-United Kingdom situs treatment for the purposes of relevant United Kingdom taxes. In particular, such potential purchasers should be aware that Notes held through CREST in the form of CDIs are likely to be treated as UK situs assets for certain UK tax purposes.

United Kingdom Withholding Tax on Instruments

There should be no requirement for United Kingdom tax to be withheld on payments under the Instruments which do not have a United Kingdom source.

W&C Instruments

Holders not within the charge to United Kingdom corporation tax

The following applies to Holders who are resident in the United Kingdom, other than Holders who are within the charge to corporation tax. **Each potential purchaser of W&C Instruments is advised to consult its own tax adviser as to the United Kingdom tax consequences of acquiring, holding, exercising and disposing of W&C Instruments as the taxation of W&C Instruments is particularly complex and sensitive to the precise terms of the relevant W&C Instrument.**

Qualifying options

The United Kingdom tax treatment of W&C Instruments will depend upon the particular facts and circumstances of the Holder. The following paragraphs relate only to W&C Instruments which satisfy the following conditions:

(a) there are no additional amounts payable under the terms of the W&C Instrument;

(b) the W&C Instruments are not designed to produce a return equivalent to money invested at interest;

(c) there is no floor or other minimum amount payable under the terms of the W&C Instruments;

(d) the return on the W&C Instruments is calculated with direct reference to fluctuations in the value of an underlying Reference Item or Items; and

(e) the W&C Instruments constitute either options or futures for UK tax purposes.

On the assumption that the Holder will hold the W&C Instruments as investment assets, the UK tax treatment will also depend upon whether or not they are "qualifying options". A W&C Instrument will not be a "qualifying option" unless either:

(a) it is listed on a "recognised stock exchange" or a "recognised futures exchange" for the purposes of section 144(8) TCGA (as defined below); or

(b) it is a "financial option" for the purposes of that section.

W&C Instruments which constitute "qualifying options" for the purposes of section 143 of the Taxation of Chargeable Gains Act 1992 ("**TCGA**") are generally assets to the disposal and exercise of which the TCGA applies. Accordingly, a disposal or exercise of such W&C Instruments by a Holder may give rise to a chargeable gain or allowable loss for the purposes of the United Kingdom taxation of chargeable gains.

In circumstances where a "qualifying option" is exercised and settled by Physical Delivery, generally the exercise will not be treated as a disposal giving rise to chargeable gains or allowable losses. Instead, the acquisition and exercise of the option is treated as a single transaction and the cost of acquiring the option is treated as part of the cost of acquiring the underlying asset acquired on exercise.

Any potential Holder should note, however, that, even if a W&C Instrument satisfies all of the conditions set out above it may in certain circumstances be subject to a different tax treatment from that outlined above for United Kingdom tax purposes. The United Kingdom tax treatment will depend on its precise terms and in certain limited circumstances income tax treatment may apply.

Other W&C Instruments

Where W&C Instruments do not satisfy the conditions for the treatment set out above different and complex United Kingdom tax considerations may apply. The W&C Instrument may be treated as a debt security, in which case potential purchasers should refer to the section below entitled "Notes", however further considerations may affect the analysis, depending on the terms of the W&C Instrument. Potential Holders should take their own UK tax advice.

Notes

Holders not within the charge to United Kingdom corporation tax

The following applies to Holders who are resident in the United Kingdom, other than Holders who are within the charge to corporation tax. **Each potential purchaser of Notes is advised to consult its own tax adviser as to the United Kingdom tax consequences of acquiring, holding and disposing of Notes.**

Interest

Any interest, discount or premium payable on the Notes will generally be subject to United Kingdom income tax by direct assessment even where paid without withholding.

Accrued Income Scheme

Holders that are UK resident individuals should have regard to the provisions of the Accrued Income Scheme (the "**Scheme**") which may apply to Holders transferring Notes that bear interest or to persons

to whom such Notes are transferred. The charge to tax on income that may arise as a result of the Scheme will be in respect of an amount representing interest on the Notes which has accrued and has not been paid during the period they are held. This amount will be taken into account in determining any chargeable gain or loss arising on a disposal of the Notes.

However, where a Note constitutes a "variable rate security" for the purposes of the Scheme, the amount of accrued interest deemed to be received as income by a Holder upon transfer would be such amount as is just and reasonable in the circumstances, and the transferee will not be entitled to any credit under the Scheme to set against any actual or deemed interest that is received or is deemed received by the transferee after the transfer.

Taxation of discount and premium

Generally where the amount payable on maturity, or any other occasion when the Note can be redeemed (other than those which are ignored because they satisfy the "third party option condition" or the "commercial protection condition" for the purposes of section 431 of the Income Tax (Trading and Other Income) Act 2005 ("**ITTOIA**")), ignoring any interest then payable will or may exceed the issue price by more than 0.5 per cent. of the redemption amount for each year in the redemption period, up to a maximum of 30 years, those Notes will constitute deeply discounted securities, subject to certain exceptions. It is not considered that Notes would be regarded as deeply discounted securities merely by reason of the fact that they are denominated in a currency other than sterling. Where Notes constitute "deeply discounted securities", a Holder of such Notes may be liable to United Kingdom income tax on any profits (generally, the amount by which any sum payable on the transfer or redemption of the Note exceeds its acquisition price) made on the sale or other disposal (including redemption) of such Notes.

Where Notes are issued at a redemption premium as opposed to being issued at a discount, then where such premium does not constitute a payment of interest such Notes may constitute "deeply discounted securities" (as mentioned above).

Notes which are "deeply discounted securities" are qualifying corporate bonds and are therefore not subject to capital gains tax.

Notes which constitute "excluded indexed securities" for the purposes of section 433 ITTOIA, notwithstanding that they may satisfy the above requirements, will not generally be treated as "deeply discounted securities" and therefore any gain will, subject to the specific terms of the Notes and the Holder's personal circumstances, generally be within the charge to United Kingdom tax on capital gains. A security will only be an "excluded indexed security" for these purposes if both: (i) a number of anti-avoidance rules do not apply; and (ii) the amount payable on redemption is determined by applying to the amount for which the Notes were issued the percentage change (if any) over the Note's redemption period in (a) the value of chargeable assets (within the meaning of section 433 ITTOIA) of a particular description, or (b) an index of the value of such assets. The fact that a Note may provide for a minimum amount payable on redemption not exceeding 10 per cent. of the issue price will not prevent it from satisfying this requirement and any interest payable on redemption is ignored in determining the amount payable on redemption for these purposes.

Capital gains tax

Where Notes (other than "deeply discounted securities") are denominated in sterling and are not capable of redemption in or by reference to any foreign currency they may be treated as qualifying corporate bonds so that no United Kingdom taxation on chargeable gains or allowable losses will arise on any sale, redemption or other disposal. This depends upon the Notes comprising "normal commercial loans" at all times (for the purposes of section 117(1) TCGA) which may not be the case where, for example, the Notes contain a right to acquire other shares or securities, or to a return which depends on the results of the Issuer's business or any part of it. A Note which carries a return expressed in sterling which is determined by reference to the value at any time of any other currency or asset will not be treated as being denominated in sterling for these purposes, and accordingly will not be a qualifying corporate bond.

Where Notes are denominated in a currency other than sterling or do not comprise normal commercial loans, then provided they are not deeply discounted securities they will generally be chargeable assets for the purposes of United Kingdom capital gains tax with the result that any gain or loss arising on a

disposal may, depending on the Holder's personal circumstances, give rise to a charge to United Kingdom tax on capital gains or an allowable loss.

Holders not resident in the United Kingdom

Payments on the Instruments that have a United Kingdom source may be subject to income tax by direct assessment even when paid without withholding or deduction.

However, where such payments received without withholding or deduction for or on account of United Kingdom tax constitute interest or annual payments, such amounts will not be chargeable in the hands of a Holder (other than certain trustees) who is not resident for tax purposes in the United Kingdom unless that Holder carries on a trade, profession or vocation in the United Kingdom through a United Kingdom branch or agency or, in the case of a company, a permanent establishment in connection with which such amounts are received or to which the Instruments are attributable.

Where payments on Instruments have been paid under deduction of United Kingdom income tax, Holders who are not resident in the United Kingdom may be able to recover part of the tax deducted if that is provided for in an applicable double tax treaty between the country of residence of the Holder and the United Kingdom. Holders may also be entitled to a reduction in the rate of or exemption from tax on United Kingdom source payments if provided for in an applicable double tax treaty between the country of residence of the Holder and the United Kingdom.

Holders not resident in the United Kingdom will not be within the charge to United Kingdom tax on chargeable gains in respect of any Instruments save broadly where Instruments are held in or used for the purposes of a trade carried on by the non-resident through a branch or agency or, in the case of a company, a permanent establishment, and subject also to certain rules that apply in the case of (i) non-resident persons holding the Instruments in connection with certain types of UK real estate businesses; and (ii) individuals that are temporary non-residents.

United Kingdom Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

Issue

No stamp duty or SDRT should generally arise on the issue of Instruments which do not provide for Physical Delivery.

In relation to Instruments which provide for Physical Delivery and constitute unconditional agreements to transfer the Entitlement, no charge to SDRT should arise on issue provided that the Entitlement to be delivered on settlement is not or are not "chargeable securities". In general terms, Entitlements which:

(a) are not interests in unit trust schemes;

(b) are issued by a body corporate incorporated outside of the United Kingdom and are not paired with shares issued by a body corporate incorporated in the United Kingdom;

(c) are not registered in a register kept in the United Kingdom; and

(d) do not give its holder the right to subscribe for, or otherwise acquire, a security (or an interest in, or right arising out of, a security) registered in a register kept in the United Kingdom,

are not "chargeable securities". Where the Entitlements do constitute "chargeable securities" and are not covered by article 5(2) of the Capital Duties Directive (Council Directive 2008/7/EC) (insofar as implemented into UK domestic law by the European Union (Withdrawal) Act 2018 (the "**EUWA**"), SDRT could be payable on the issue of the relevant Instruments.

In relation to Instruments that provide for Physical Delivery, a Global Instrument or any instrument granting a Global Instrument may be subject to United Kingdom stamp duty if it is executed in the United Kingdom or if it relates to any property situate, or to any matter or thing done or to be done, in the United Kingdom. Even if an instrument is subject to United Kingdom stamp duty, there may be no practical necessity to pay that stamp duty, as United Kingdom stamp duty is not an assessable tax. However, an instrument which is not duly stamped cannot be used for certain purposes in the United Kingdom; for example it will be inadmissible in evidence in civil proceedings in a United Kingdom court.

Transfer

Stamp duty is chargeable on written instruments, and so if transfers of Instruments are effected through a Clearing System otherwise than by way of written instrument then no stamp duty should arise in respect of such a transfer. If a written instrument is used in respect of a transfer by way of sale, then any such instrument which is executed in the United Kingdom or which (if not executed in the United Kingdom) relates to any matter or thing done or to be done in the United Kingdom may be subject to stamp duty unless the Instruments constitute "exempt loan capital", that is they are exempt under section 79 of the Finance Act 1986. Stamp duty would be charged at 0.5 per cent. of the sale consideration. If the consideration paid for a transfer of such Instruments is £1,000 or less and the instrument transferring the Instruments includes an appropriate certificate the stamp duty payable will be reduced to nil.

The Issuers do not intend to keep or maintain any register of securities in the United Kingdom and on the basis that no such register is kept or maintained in the United Kingdom, no SDRT should generally (and subject to the following paragraph) be payable in respect of any agreement to transfer Instruments.

SDRT at 0.5 per cent. may be payable in relation to any agreement to transfer Instruments that provide for Physical Delivery either mandatorily or at the option of the Holder, or otherwise give the Holder the right to acquire stock, shares or loan capital (or interests in or rights arising out of stock, shares or loan capital) in certain bodies corporate incorporated in the United Kingdom or with a United Kingdom connection unless such stock, shares or loan capital would qualify as "exempt loan capital". A body corporate will have a United Kingdom connection for these purposes if (i) a register of the relevant stock, shares or loan capital is kept in the United Kingdom by or on behalf of the body corporate; or (ii) the shares are "paired" with shares in a United Kingdom incorporated body corporate within the meaning of s 99(6B) FA 1986. In addition, SDRT at 0.5% may apply to agreements to transfer certain Notes if those Notes satisfy all of the following three conditions: (i) they are held through in CREST in the form of CDIs; (ii) they are not listed on a "recognised stock exchange" within the meaning of section 1005 Income Tax Act 2007; and (iii) they do not constitute "exempt loan capital".

Where Instruments are issued in bearer form which (i) are denominated in sterling or in respect of which there is an option for repayment in sterling or in one or more other currencies (unless that option is exercisable only by the holder) and (ii) are not loan capital; the first transfer by delivery in the United Kingdom of any such Instrument may attract a compulsory bearer instrument duty at 1.5 per cent. of the value of such Instrument.

Exercise and redemption

United Kingdom stamp duty may be required to be paid in relation to the transfer of an asset (such as stock or marketable securities) following the exercise of a Physical Delivery Warrant or Physical Delivery Certificate or following redemption of a Physical Delivery Note. SDRT may be payable in respect of the agreement to transfer an asset pursuant to a Physical Delivery Warrant or Physical Delivery Certificate following the exercise of the Warrant or Certificate or pursuant to a Physical Delivery Note in connection with redemption of the Note. However, any such liability to SDRT will be cancelled (or, if already paid, will be repaid) if the instrument effecting the transfer is chargeable with stamp duty (or is otherwise required to be stamped) and has been duly stamped within six years of the agreement being made or, in the case of a conditional agreement, within six years of all conditions being satisfied.

OFFERING AND SALE

The Dealers have entered into an English Law Programme Agreement dated 13 May 2022 (as the same may be amended, supplemented and/or restated, from time to time, in accordance with the terms thereof, the "**English Law Programme Agreement**"), with MLBV, MLICo. and the Guarantor, which sets forth a basis upon which they may from time to time agree to purchase Instruments to be issued by MLBV or MLICo. The Dealers have further entered into a New York Law Program Agreement dated 13 May 2022 (as the same may be amended, supplemented and/or restated, from time to time, in accordance with the terms thereof, the "**New York Law Programme Agreement**" and, together with the English Law Programme Agreement, the "**Programme Agreements**" and each, a "**Programme Agreement**"), with BAC, in its capacity as Issuer and as Guarantor, and BofA Finance, which sets forth a basis upon which the Dealers may from time to time agree to purchase Notes to be issued by BAC or BofA Finance. In the Programme Agreements, the Issuers have agreed to reimburse the Dealers for certain of their expenses in connection with the issue of Instruments under the Programme.

No action has been or will be taken by the Issuers or the Guarantor that would permit a public offering of any Instruments or possession or distribution of any offering material in relation to any Instruments in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Instruments, or distribution of any offering material relating to any Instruments, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuers and the Guarantor.

UNITED STATES

Notes issued by BAC and BofA Finance

None of the Notes issued by BAC (the "**BAC Notes**"), the Notes issued by BofA Finance (the "**BofA Finance Notes**"), the BofA Finance Guarantee nor, in certain cases, any securities to be delivered upon settlement of such Notes have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under any U.S. state securities laws.

The BAC Notes, the BofA Finance Notes, and the BofA Finance Guarantee may not be offered, sold, resold, traded, transferred, pledged, delivered or redeemed, directly or indirectly, within the United States of America (including the U.S. states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction (the "**United States**") or to, or for the account or benefit of, U.S. persons (other than distributors) except in accordance with Regulation S under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the BAC Notes, the BofA Finance Notes, the BofA Finance Guarantee nor certain Entitlements constitute, or have been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**"), and trading in the BAC Notes, the BofA Finance Notes or the BofA Finance Guarantee have not been approved by the U.S. Commodity Futures Trading Commission (the "**CFTC**") pursuant to the CEA.

Each Dealer in respect of the BAC Notes or the BofA Finance Notes has represented and agreed, and each further dealer or distributor in respect of BAC Notes or BofA Finance Notes will be required to represent and agree, that it has not offered and sold any Notes of any identifiable Tranche issued by BAC or BofA Finance, as applicable, and will not offer and sell any Notes of any identifiable Tranche issued by BAC or BofA Finance, as applicable, (i) as part of their distribution at any time, or (ii) otherwise until 40 days after the completion of the distribution of such Tranche as determined and certified by the Dealer (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further represented and agreed, and each further dealer or distributor will be required to further represent and agree, that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note issued by BAC or BofA Finance, as applicable, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer who has purchased Notes issued by BAC or BofA Finance, as applicable, of a Tranche (or in the case of a sale of a Tranche of BAC Notes or BofA Finance Notes, as applicable, issued to or through more than one Dealer, each of such Dealers as to the BAC Notes or BofA Finance Notes, as applicable, of such Tranche purchased by or through it) shall determine and notify in writing to the Principal Paying Agent the completion of the distribution of the BAC Notes or BofA Finance Notes, as applicable, of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent has agreed to notify such Dealer or Dealers in writing of the end of the

Distribution Compliance Period with respect to such Tranche of BAC Notes or BofA Finance Notes, as applicable.

In addition, until 40 days after the completion of the distribution of the Notes issued by BAC or BofA Finance, as the case may be, comprising any Tranche, any offer or sale of such Notes within the United States or by any dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act.

Each Dealer has further agreed, and each further dealer or distributor in respect of Notes issued by BAC or BofA Finance, as applicable, will be required to agree, that during the Distribution Compliance Period, it will have sent to each distributor, dealer, person receiving a selling concession, fee, or other remuneration, or purchaser that purchases Notes issued by BAC or BofA Finance, as applicable, from it during the Distribution Compliance Period a confirmation or other notice substantially the following effect:

"The Notes covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under any U.S. state securities laws. The Notes may not be offered, sold, resold, traded, pledged, redeemed, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of Notes issued by Bank of America Corporation or BofA Finance LLC, as the case may be, comprising any Tranche, as determined and certified by the Dealers, except in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in this section have the meanings given to them by Regulation S under the Securities Act.

Notes issued by MLBV and W&C Instruments

None of the Notes issued by MLBV (the "**MLBV Notes**"), the W&C Instruments of any Series, the related MLBV/MLICo. Guarantee and, in certain cases, any securities to be delivered upon exercise or settlement of the MLBV Notes or the W&C Instruments, as the case may be, have been, or will be, registered under the Securities Act or any U.S. state securities laws. The MLBV Notes, the W&C Instruments, the related MLBV/MLICo. Guarantee (if applicable) and certain Entitlements do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the CEA, and trading in the MLBV Notes or W&C Instruments has not been approved by the CFTC pursuant to the CEA. Unless a Series of MLBV Notes or W&C Instruments is eligible for sale to qualified institutional buyers ("**QIBs**") as defined in Rule 144A under the Securities Act ("**Rule 144A**") who are also qualified purchasers ("**QPs**") within the meaning of Section 3(c)(7) and as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended, and the rules thereunder, in the United States or to, or for the account or benefit of, U.S. persons who satisfy such criteria, and otherwise in compliance with Rule 144A, no MLBV Notes or W&C Instruments of any Series, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (other than distributors) or to others for offer, sale, resale, trade, pledge, exercise, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (other than distributors). Each Dealer has agreed, and each further dealer or distributor in respect of an issue of Notes or W&C Instruments will be required to agree, and each holder and each legal and beneficial owner of Notes or W&C Instruments will be deemed on purchase to agree, not to engage in hedging transactions with regard to the Notes or W&C Instruments unless in compliance with the Securities Act.

If a Rule 144A Instrument eligible for sale in the United States or to, or for the account or benefit of, U.S. persons is concurrently eligible for sale to non-U.S. persons pursuant to Regulation S under the Securities Act, any person exercising such Instrument will be required to represent either that it is a QIB who is also a QP or that it is not a U.S. person. See "Annex 11A – *Additional Terms and Conditions for Rule 144A Notes*", "Annex 11B – *Additional Terms and Conditions for Rule 144A W&C Instruments*" and "*Notice to Purchasers and Holders of Instruments and Transfer Restrictions*".

Each QIB/QP, as a condition to purchasing Rule 144A Instruments, or any legal or beneficial interests therein, will be obligated to enter into and remain in compliance with an Investor Representation Letter executed for the benefit of the Dealer, the relevant Issuer and the Guarantor (together with their respective

affiliates and any persons controlling, controlled by or under common control with such Dealer, the relevant Issuer or the Guarantor), pursuant to which it will agree, among other things, that any resales of such Rule 144A Instruments may be effected only to or through the relevant Issuer or the Dealer to another QIB/QP to whom notice is given that the transfer is being made in reliance on Rule 144A and who executes an Investor Representation Letter and otherwise in compliance with Rule 144A. With respect to Rule 144A Instruments, each purchaser is hereby notified that the offer and sale of such Rule 144A Instruments to it is made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A and upon the relevant exemptions from U.S. state securities laws and any other applicable laws of other jurisdictions, and that such Rule 144A Instruments are not transferrable except as provided herein and under "Notice to Purchasers and Holders of Instruments and Transfer Restrictions".

Rule 144A Instruments relating to commodities and commodities futures may only be offered, sold or resold in the United States or to, or for the account or benefit of, a U.S. person pursuant to one or more applicable exemptions and/or exclusions under the CEA. The relevant Issuer and the Guarantor reserve the right not to make payment or delivery in respect of such Rule 144A Instrument to a person in the United States or a U.S. person if such payment or delivery would constitute a violation of U.S. law.

Prior to the delivery of the Entitlement in respect of a Physical Delivery Instrument (other than a Rule 144A Instrument) the holder thereof will be required to represent that, *inter alia*, it is not a U.S. person, the Instrument was not exercised on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or its possessions or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof. In respect of Notes issued by MLBV, see "Annex 10 – *Additional Terms and Conditions for Physical Delivery Notes*", in respect of Certificates, see W&C Instruments Condition 32 (*Collection Notices and Settlement (Certificates)*) , in respect of Warrants, see W&C Instruments Condition 25 (*Exercise Procedure (Warrants)*), and in each case, see "Notice to Purchasers and Holders of Instruments and Transfer Restrictions".

In connection with each issue of MLBV Notes or W&C Instruments (other than Rule 144A Instruments), each Dealer has represented and agreed, and each further dealer or distributor in respect of an issue of MLBV Notes or W&C Instruments will be required to represent and agree, that without the prior written agreement of the relevant Issuer and the Guarantor, it will not at any time offer, sell, resell, trade, pledge, exercise, transfer or deliver, directly or indirectly, MLBV Notes or W&C Instruments, as applicable, of such Series in the United States or to, or for the account or benefit of, any U.S. person (other than distributors (as defined in Regulation S)) or to others for offer, sale, resale, trade, pledge, exercise, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person (other than distributors). Each Dealer has agreed, and each further dealer or distributor in respect of an issue of Rule 144A Instruments will also be required to agree, and any person purchasing such Rule 144A Instruments must agree, to send each person who purchases any such Rule 144A Instruments from it at or prior to the confirmation of sale, a written confirmation (which shall include the definitions of "United States" and "U.S. person" set forth herein) stating that the MLBV Notes or the W&C Instruments, as applicable, the MLBV/MLICo. Guarantee and certain of the securities to be delivered upon exercise or settlement of the MLBV Notes or W&C Instruments, as applicable, have not been registered under the Securities Act or any U.S. state securities laws, and any trading in the MLBV Notes or the W&C Instruments, as applicable has not been approved by the CFTC pursuant to the CEA, and stating that such purchaser agrees that it will not at any time offer, sell, resell, trade, pledge, exercise, transfer or deliver MLBV Notes or W&C Instruments, as applicable, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (other than distributors) unless effected to or through the relevant Issuer or the Dealer to another QIB/QP who executes an Investor Representation Letter and otherwise in compliance with Rule 144A. Each of the relevant Issuer and the Guarantor has agreed to sales by MLI to BofA Securities, Inc. or one of its affiliates for re-sale (a) to persons in the United States and (b) to, or for the account or benefit of, U.S. persons, in either case, who are QIBs and also QPs and who enter into and remain in compliance with an Investor Representation Letter, and otherwise in compliance with Rule 144A and the restrictions set forth herein.

Any person purchasing MLBV Notes or W&C Instruments of any Series (other than a Series of Rule 144A Instruments) must agree or will be deemed on purchase to represent, acknowledge, certify and agree with the relevant Issuer, the Guarantor, the Dealer and the seller of such MLBV Notes or W&C Instruments, as applicable, for itself and any person for whose account such MLBV Notes or W&C Instruments, as applicable, are being purchased that: (i) it is not a U.S. person, is not located in the United States and was not solicited to purchase such MLBV Notes or W&C Instruments, as applicable, while

present in the United States; (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, transfer or deliver, directly or indirectly, any MLBV Notes or W&C Instruments, as applicable, of such Series so purchased in the United States or to, or for the account or benefit of, any U.S. person (other than distributors) or to others for offer, sale, resale, trade, pledge, exercise, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (other than distributors); (iii) it is not purchasing any MLBV Notes or W&C Instruments, as applicable, of such Series for the account or benefit of any U.S. person (other than distributors); and (iv) it will not make offers, sales, re-sales, trades, pledges, exercises, transfers or deliveries of any MLBV Notes or W&C Instruments, as applicable, of such Series (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (other than distributors).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS AND PUBLIC OFFER SELLING RESTRICTION

If the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to EEA Retail Investors", 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 Instruments which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

  (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in the EU Prospectus Regulation; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

Notwithstanding the above, in the case where the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to EEA Retail Investors" but where the Issuer subsequently prepares and publishes a key information document under Regulation (EU) No 1286/2014 (as may be amended or superseded from time to time, the "**EU PRIIPs Regulation**") in respect of such Instruments, then following such publication, the prohibition on the offering, sale or otherwise making available the Instruments to a retail investor as described above shall no longer apply.

If the Final Terms in respect of any Instruments does not include a legend entitled "Prohibition of Sales to EEA Retail Investors", in relation to each Member State of the European Economic Area (each, a "**Member State**")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 made and will not make an offer of Instruments which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Instruments to the public in that Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Instruments referred to in (a) to (c) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Instruments to the public**" in relation to any Instruments in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

UNITED KINGDOM

(a) ***Prohibition of sales to UK Retail Investors***: If the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to UK Retail Investors", 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 Instruments which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom (the "**UK**"). 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 point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") and the regulations made under the EUWA; or

(B) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA; or

(C) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA (the "**UK 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 Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

Notwithstanding the above, in the case where the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to UK Retail Investors" but where the Issuer subsequently prepares and publishes a key information document under Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA and the regulations made under the EUWA (the "**UK PRIIPs Regulation**") in respect of such Instruments, then following such publication, the prohibition on the offering, sale or otherwise making available the Instruments to a retail investor as described above shall no longer apply.

If the Final Terms in respect of any Instruments does not include a legend entitled "Prohibition of Sales to UK Retail Investors", in relation to the UK, 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 made and will not make an offer of Instruments which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to the public in the UK except that it may make an offer of such Instruments to the public in the UK:

(i) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK, subject to obtaining the

prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(iii) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Instruments referred to in (a) to (c) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Instruments to the public**" in relation to any Instruments means the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

(b) ***Other regulatory restrictions***: 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 Instruments 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 Instruments 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 Instruments would otherwise constitute a contravention of section 19 of the FSMA by the relevant 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 the FSMA) received by it in connection with the issue or sale of any Instruments in circumstances in which section 21(1) of the FSMA does not apply to the relevant Issuer or (if applicable) the Guarantor; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Instruments in, from or otherwise involving the United Kingdom.

THE NETHERLANDS

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that zero coupon notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly within, from or into the Netherlands through the mediation of either such Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of May 21, 1985 (as amended) and its implementing regulations.

No such mediation is required in respect of:

(a) the transfer and acceptance of rights representing an interest in a zero coupon note in global form; or

(b) the initial issue of zero coupon notes in definitive form to the first holders thereof;

(c) the transfer and acceptance of such zero coupon notes in definitive form between individuals not acting in the conduct of a business or profession; or

(d) the transfer and acceptance of such zero coupon notes within, from or into the Netherlands if all such zero coupon notes (either in definitive form or as rights representing an interest in a zero coupon note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter.

As used herein, "zero coupon notes" are notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenure but only at maturity or on which no interest is due whatsoever

BAC does not have an authorisation from the European Central Bank or Dutch Central Bank (*De Nederlandsche Bank N.V.*) pursuant to the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*, "**AFS**") for the pursuit of the business of a credit institution in the Netherlands and therefore does not have a licence pursuant to section 2:12(1), 2:13(1) or 2:20(1) of the AFS.

SWITZERLAND

The Instruments do not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (the "CISA"). Therefore, the Instruments are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority FINMA ("FINMA"), and investors in the Instruments will not benefit from protection under the CISA or supervision by FINMA.

Unless otherwise specified in the applicable Final Terms, the Instruments have not been offered and will not be offered to the public in Switzerland, except that offers of Instruments may be made to the public in Switzerland under the following exemptions under the Swiss Financial Services Act of 15 June 2018 ("**FinSA**"):

(a) to any person which qualifies as a professional client within the meaning of the FinSA;

(b) in any other circumstances falling within Article 36 FinSA in combination with Article 44 of the Swiss Financial Services Ordinance ("**FinSO**"),

provided always that any such offer is conducted in a manner that it does not require the Issuer to publish a prospectus pursuant to Article 35 FinSA.

The Instruments have not been and will not be listed or admitted to trading on a trading venue in Switzerland.

Any Instruments constituting structured products within the meaning of Article 3(a)(4) of the FinSA ("**Structured Products**") may be marketed and offered in or into Switzerland to private clients within the meaning of the FinSA ("**Private Clients**") only in accordance with the provisions of the FinSA and its implementing regulations.

In particular, Structured Products may only be marketed and offered in or into Switzerland to Private Clients if:

(i) they are issued, guaranteed or secured in an equivalent manner by (a) a Swiss bank, insurance company or securities firm or (b) a foreign institution which is subject to equivalent standards of supervision; and

(ii) subject to applicable transitional periods under the FinSA, either a simplified prospectus (*vereinfachter Prospekt*) (a "**Simplified Prospectus**") or a key information document (*Basisinformationsblatt*) within the meaning of the FinSA (or an equivalent document) (a "**Swiss KID**") is available. Preliminary versions of such documents including indicative information must be made available free of charge to any interested person prior to subscribing the Instruments or prior to concluding an agreement to subscribe the Instruments. Definitive versions of such documents must be made available free of charge to any interested person on issue or on concluding an agreement to subscribe the Instruments.

The relevant Issuer will set forth all information which may be required to be disclosed in a Simplified Prospectus or a Swiss KID, as the case may be, in a separate document referred to as "Final Terms" and/or "Simplified Prospectus" or a "Key Information Document" for Instruments constituting Structured Products distributed to Private Clients and reserves the right to do so for any other Instruments constituting Structured Products.

Instruments constituting Structured Products which are not intended to be offered and marketed to Private Clients in or into Switzerland may only be offered and marketed, and this Offering Circular, any Final Terms, fact sheets or any other marketing material relating to such Instruments may only be made available to (i) professional clients ("**Professional Clients**") or institutional clients ("**Institutional Clients**") in or into Switzerland by way of private placement which is exclusively addressed to and available for such Professional Clients and Institutional Clients or (ii) to Private Clients within the context of a portfolio management agreement within the meaning of article 58(2) of the FinSA and article 83 FinSO.

ARGENTINA

The Issuers have not made, and will not make, any application to obtain an authorisation from the *Comisión Nacional de Valores* (the "**CNV**") for the public offering of the Instruments in Argentina. The CNV has not approved the Instruments, their public offering, nor any document relating to the offering or issuance of the Instruments. 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 or sold, and will not offer or sell, any of such Instruments in Argentina, except in transactions that will not constitute a public offering of Instruments within the meaning of Sections 2 and 83 of the Argentine Capital Markets Law No 26,831, as amended, supplemented or otherwise modified. Argentine insurance companies may not purchase the Instruments.

AUSTRIA

The Instruments may only be offered in the Republic of Austria in accordance with the Austrian Capital Market Act and any other laws and regulations applicable in the Republic of Austria governing the issue, offer and sale of the Instruments in the Republic of Austria. The Instruments are not registered or otherwise authorized for public offer within the meaning or under the Austrian Capital Market Act or any other applicable laws and regulations in Austria. The recipients of this Offering Circular, any supplement thereto, and any other selling materials in respect to the Instruments are qualified investors within the meaning of the Austrian Capital Market Act. Accordingly, the Instruments may not be, and are not being, issued, offered, sold or advertised publicly or offered similarly under either the Austrian Capital Market Act or any other relevant legislation in Austria. BAC is a U.S. bank holding company and a financial holding company. BAC is not a bank under the Austrian Banking Act (*Bankwesengesetz*) and is not EU passported to perform banking business in Austria.

BAHAMAS

This Offering Circular has not been registered with the Securities Commission of The Bahamas. No offer or solicitation of any securities of the Issuer can be made in The Bahamas. Any purchase of securities must be made in compliance with the Exchange Control Regulations of The Bahamas. The Issuer and the Guarantor are not registered or licensed in The Bahamas and do not carry on and are not authorized by the laws of The Bahamas to carry on banking, securities or any other business in or from The Bahamas.

BERMUDA

The Instruments being offered hereby are being offered on a private basis to investors. This Offering Circular is not subject to, and has not received approval from, either the Bermuda Monetary Authority or the Bermuda Registrar of Companies and no statement to the contrary, explicit or implicit, is authorised to be made in this regard. The Instruments may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda and the Investment Funds Act 2006 of Bermuda which regulate the sale or promotion of fund interests or securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

BRAZIL

The information contained herein does not constitute a public offer or distribution of instruments in Brazil and no registration or filing with respect to any instruments or financial products described in this Offering Circular has been made with the *Comissão de Valores Mobiliáros* – CVM. No public offer of

instruments or financial products described in this Offering Circular should be made in Brazil without the applicable registration at the *Comissão de Valores Mobiliários* – CVM.

CAYMAN ISLANDS

The Instruments may not be offered to the public in the Cayman Islands.

The Instruments have not been and will not be registered or judged upon or approved by any authority in the Cayman Islands and there exists no investor protection fund available to any investor in the Instruments.

CHILE

The Instruments have not been registered with the *Comisión para el Mercado Financiero* in Chile and may not be offered or sold publicly in Chile.

PEOPLE'S REPUBLIC OF CHINA

This Offering Circular or any other offering materials relating to the Instruments has not been filed with or approved by the People's Republic of China ("**PRC**") (for such purposes, not including Hong Kong, Macau and Taiwan) authorities, and is not an offer of securities (whether IPO or private placement) within the meaning of the Securities Law or other pertinent laws and regulations of the PRC. No person is authorised to and no person may forward or deliver this Offering Circular or any other offering materials relating to the Instruments to the general public or unspecified recipients in the PRC. There is no open market in the PRC for the Instruments, and the Instruments may not be sold, transferred, offered for sale, pledged or encumbered in the PRC unless permitted by the PRC laws and regulations.

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "Shanghai Stock Exchange" or "Shenzhen Stock Exchange" is specified as the "Exchange" and "ChiNext Share" is specified as Not Applicable in the applicable Final Terms; or (b) "PRC Selling Restrictions" are specified to be applicable in the applicable Final Terms; or for Index Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "Shanghai Stock Exchange" or "Shenzhen Stock Exchange" is specified as the "Exchange" or (b) "PRC Selling Restrictions" are specified to be applicable in the applicable Final Terms:

W&C Instruments may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, directly or indirectly, in the PRC (excluding Hong Kong, Macau and Taiwan), or to any Domestic Investor. By purchasing any W&C Instruments, any purchaser is deemed to acknowledge and agree to the foregoing, and to represent and agree that:

(a) it is not (a) a PRC Citizen resident in the PRC (excluding Hong Kong, Macau and Taiwan), (b) a PRC Citizen resident outside the PRC who is not a permanent resident of another country or permanent resident of Hong Kong, Macau or Taiwan, or (c) a Legal Person Registered in the PRC, (each a "Domestic Investor") and it will not sell, re-sell, assign or otherwise transfer any interest in the W&C Instruments to any Domestic Investor;

(b) (if the purchaser is a trustee for a trust) interests in the trust are not majority-owned by, and the management decision over the trust is not controlled by, one or more Domestic Investor(s). For the avoidance of doubt, in the case only where a trust's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies;

(c) to the best of its knowledge and belief after enquiries that it reasonably deems necessary, all amounts paid or to be paid by it in respect of W&C Instruments did not and will not involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC; and

(d) it is purchasing W&C Instruments as principal and not as agent of any person or entity.

"**Legal Person Registered in the PRC**" means an entity incorporated or organised in the PRC (excluding Hong Kong, Macau and Taiwan).

"**PRC Citizen**" means any person holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan).

"**trust**" includes a trust fund or any similar arrangement where the legal title to the trust assets are held by a trustee or legal representative but the beneficial interests in the trust assets are held by beneficiaries; and "**trustee**" shall be construed accordingly.

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "ChiNext Share" is specified as applicable in the applicable Final Terms; or (b) "ChiNext Share Connect Selling Restrictions" are specified to be applicable in the applicable Final Terms:

ChiNext Share Connect Selling Restrictions

W&C Instruments may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, directly or indirectly, in the PRC (excluding Hong Kong, Macau and Taiwan), or to any Domestic Investor or to any person who is not an Eligible ChiNext Investor. By purchasing any W&C Instruments, any purchaser is deemed to acknowledge and agree to the foregoing, and to represent and agree that:

(1) it is not (a) a PRC Citizen resident in the PRC (excluding Hong Kong, Macau and Taiwan), (b) a PRC Citizen resident outside the PRC who is not a permanent resident of another country or permanent resident of Hong Kong, Macau or Taiwan, or (c) a Legal Person Registered in the PRC, (each a "**Domestic Investor**") and it will not sell, re-sell, assign or otherwise transfer any interest in the W&C Instruments to any Domestic Investor;

(2) (if the purchaser is a trustee for a trust) interests in the trust are not majority-owned by, and the management decision over the trust is not controlled by, one or more Domestic Investor(s). For the avoidance of doubt, in the case only where a trust's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies;

(3) it is an Eligible ChiNext Investor at the time it purchases the W&C Instruments;

(4) it is not purchasing the W&C Instruments for the account or benefit of any person or entity who is not an Eligible ChiNext Investor;

(5) to the best of its knowledge and belief after enquiries that it reasonably deems necessary, all amounts paid or to be paid by it in respect of W&C Instruments did not and will not involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC;

(6) it is purchasing W&C Instruments as principal and not as agent of any person or entity; and

(7) it shall comply with all applicable laws, rules, regulations (including but without limitation any applicable laws, rules, regulations and guidelines relating to trading of ChiNext Shares through the China Connect Service) to which it may be subject.

"**ChiNext Shares**" means any securities listed on the ChiNext Board of the Shenzhen Stock Exchange which may be traded by Hong Kong and international investors through the China Connect Service at the relevant time.

"**Eligible ChiNext Investor**" means a "professional investor" within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of the "professional investor" in section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong or other types of investors that are permitted or approved by the relevant governmental or regulatory authorities, exchanges, clearing systems and/or under applicable laws, rules and regulations to trade ChiNext Shares through the China Connect Service.

"**Legal Person Registered in the PRC**" means an entity incorporated or organised in the PRC (excluding Hong Kong, Macau and Taiwan).

"**PRC Citizen**" means any person holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan).

"**trust**" includes a trust fund or any similar arrangement where the legal title to the trust assets are held by a trustee or legal representative but the beneficial interests in the trust assets are held by beneficiaries; and "**trustee**" shall be construed accordingly.

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "STAR Market Share" is specified as applicable in the applicable Final Terms; or (b) "STAR Market Share Connect Selling Restrictions" are specified to be applicable in the applicable Final Terms:

STAR Market Share Connect Selling Restrictions

W&C Instruments may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, directly or indirectly, in the PRC (excluding Hong Kong, Macau and Taiwan), or to any Domestic Investor or to any person who is not an Eligible STAR Market Investor. By purchasing any W&C Instruments, any purchaser is deemed to acknowledge and agree to the foregoing, and to represent and agree that:

(1) it is not (a) a PRC Citizen resident in the PRC (excluding Hong Kong, Macau and Taiwan), (b) a PRC Citizen resident outside the PRC who is not a permanent resident of another country or permanent resident of Hong Kong, Macau or Taiwan, or (c) a Legal Person Registered in the PRC, (each a "**Domestic Investor**") and it will not sell, re-sell, assign or otherwise transfer any interest in the W&C Instruments to any Domestic Investor;

(2) (if the purchaser is a trustee for a trust) interests in the trust are not majority-owned by, and the management decision over the trust is not controlled by, one or more Domestic Investor(s). For the avoidance of doubt, in the case only where a trust's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies;

(3) it is an Eligible STAR Market Investor at the time it purchases the W&C Instruments;

(4) it is not purchasing the W&C Instruments for the account or benefit of any person or entity who is not an Eligible STAR Market Investor;

(5) to the best of its knowledge and belief after enquiries that it reasonably deems necessary, all amounts paid or to be paid by it in respect of W&C Instruments did not and will not involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC;

(6) it is purchasing W&C Instruments as principal and not as agent of any person or entity; and

(7) it shall comply with all applicable laws, rules, regulations (including but without limitation any applicable laws, rules, regulations and guidelines relating to trading of STAR Market Shares through the China Connect Service) to which it may be subject.

"**Eligible STAR Market Investor**" means a "professional investor" within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of the "professional investor" in section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong or other types of investors that are permitted or approved by the relevant governmental or regulatory authorities, exchanges, clearing systems and/or under applicable laws, rules and regulations to trade STAR Market Shares through the China Connect Service.

"**Legal Person Registered in the PRC**" means an entity incorporated or organised in the PRC (excluding Hong Kong, Macau and Taiwan).

"**PRC Citizen**" means any person holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan).

"**STAR Market Shares**" means any securities listed on the STAR Market operated by the Shanghai Stock Exchange which may be eligible for trading by Hong Kong and international investors through the China Connect Service at the relevant time.

"**trust**" includes a trust fund or any similar arrangement where the legal title to the trust assets are held by a trustee or legal representative but the beneficial interests in the trust assets are held by beneficiaries; and "**trustee**" shall be construed accordingly.

COLOMBIA

The issuance of the Instruments, as well as trading and payments in respect of the Instruments, will occur outside Colombia.

This material is for the sole and exclusive use of the client acting on its own behalf and/or on behalf of any independent patrimony it administers by virtue of the law, and cannot be understood as being addressed to, or be used by, any different third party.

The Instruments have not and will not be offered in Colombia through a public offering pursuant to Colombian laws and regulations and neither will be registered in the Colombian National Registry of Securities and Issuers or on the Colombian Stock Exchange or in a securities negotiation and registry system.

The client acknowledges the Colombian laws and regulations (specifically foreign exchange and tax regulations) applicable to any transaction or investment made in connection with the Instruments and represents that it is the sole party liable for full compliance with any such laws and regulations.

The investment in the Instruments is a permitted investment for the client under its corporate bylaws and/or particular applicable investment regime.

COSTA RICA

The Instruments are not registered on Costa Rican stock market and are not supervised by local authorities such as SUGEVAL.

DOMINICAN REPUBLIC

NOTICE TO DOMINICAN REPUBLIC RESIDENTS – The offer of the Instruments is not made in the Dominican Republic nor specifically directed to Dominican residents. Each Issuer and/or the Guarantor has not requested authorization to perform a public offering of Instruments in the Dominican Republic, either before the Superintendence of Securities Market of the Dominican Republic (*Superintendencia del Mercado de Valores de la República Dominincana*) or any other governmental or private institution. The Instruments are not registered in the Securities Market Registry of the Dominican Republic (*Registro del Mercado de Valores de la República Dominicana*). However, pursuant to the provisions of the Securities Market Law No. 249-17 (*Ley del Mercado de Valores núm. 249-17*) dated December 19, 2017, and its supplemental regulations —in particular, the provisions of the Regulation on Public Offers adopted through Resolution of the National Council of the Securities Market on October 28, 2019 (*R-CNMV-2019-24-MV*), the offer of the Instruments could be deemed to qualify as a public offer of securities in the Dominican Republic. Thus, the offering or sale of the Instruments in the Dominican Republic, through any means of communication, may require approval by the Superintendence of the Securities Market of the Dominican Republic and/or the Monetary Board, as well as compliance with certain other legal requirements. Hence, no party acting in any capacity is allowed to conduct offers that could be deemed to qualify as a public offer of securities in the Dominican Republic or execute sales of the Instruments in the Dominican Republic or specifically directed to Dominican residents.

By its purchase of the Instruments, the investor acknowledges and agrees that it is knowledgeable, sophisticated and experienced in making, and is qualified to make, decisions with respect to investments presenting an investment decision like that involved in the purchase of the Instruments; it understands and reads the English language; and it waives to the fullest extent permitted by law any Spanish or other translation of documents relating to, in connection with or arising out of the Instruments. | *Con la*

adquisición de Instrumentos Financieros, el inversionista reconoce y conviene que tiene conocimiento, sofisticación y experiencia tomando, y tiene las condiciones para tomar, decisiones relacionadas con inversiones que requieren una decisión de inversión como la envuelta en la compra de Instrumentos Financieros; que entiende y puede leer el idioma inglés; y, que renuncia en el sentido más amplio permitido por ley a la traducción al idioma español de cualesquiera documentos relativos a, en conexión con o que surjan de los Instrumentos Financieros.

EL SALVADOR

The recipient of any information and/or documentation relating to the Instruments acknowledges and declares that the same has been provided upon the recipient's direct and express request and instructions, and on a private placement basis.

The Instruments have not been registered with the Salvadoran Superintendence of the Financial System nor the Salvadoran Stock Exchange, and therefore may not be offered or sold publicly in El Salvador. Each Dealer represents, warrants and undertakes that it has not offered or sold, and will not offer or sell, any Instruments in El Salvador by any means, and also, no action has been or will be taken in El Salvador that would permit or induce a public offering or sale of the Instruments directly or through any third party. Each Dealer recognizes that the solicitation and reception of public funds from within El Salvador, with or without publicity, in a habitual manner and under any modality is prohibited by Salvadoran law, unless this activity is carried out by an entity duly authorized by the Salvadoran regulator.

FINLAND

The Instruments may not be sold in Finland in circumstances which constitute a public offer under the Finnish Securities Market Act (746/2012, as amended) and Prospectus Regulation (2017/1129/EU, as amended). This Offering Circular has neither been filed with nor approved by the Finnish Financial Supervisory Authority and does not constitute a prospectus under the Prospectus Regulation (2017/1129/EU, as amended) or the Finnish Securities Market Act (746/2012, as amended).

FRANCE

This Offering Circular has not been approved by the *Autorité des marchés financiers* ("**AMF**").

Each Dealer, each Issuer and the Guarantor has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Instruments to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Offering Circular or any other offering material relating to the Instruments, except for such offers, sales and distributions that have been or will be made in France only to (a) qualified investors (*investisseurs qualifiés*) within the meaning of Article 2(e) of the EU Prospectus Regulation (EU) 2017/1129, (b) a restricted group of investors (*cercle restreint d'investisseurs*) acting for their own account and/or (c) other investors in circumstances which do not require the publication by the offeror of a prospectus or of a summary information document (*document d'information synthétique*) pursuant to the French Code *monétaire et financier and the Règlement général* of the AMF all as defined in, and in accordance with, Articles L.411-2 and L.411-2-1 and Articles D.411-2 to D.411-4 of the French Code *monétaire et financier*, the *Règlement général* of the AMF and other applicable regulations such as the EU Prospectus Regulation.

The direct or indirect resale of Instruments to the public in France may be made only as provided by and in accordance with Articles L.411-1, L.411-2, L.411-2-1 and L.621-8 to L.621-8-2 of the French Code *monétaire et financier* and Articles 5 and seq. of the EU Prospectus Regulation.

GREECE

The offer of the securities contemplated in this document has not been approved by the Greek authorities, including the Hellenic Capital Markets Commission. The offer is addressed to a limited number of or qualified investors in Greece and is not addressed to the public.

Bank of America is not a bank/credit institution within the meaning of Greek Law 4261/2014.

GUATEMALA

The Instruments are not registered for public offering in Guatemala, will not be registered for public offering in Guatemala, and are being offered and sold in compliance with the rules of Private Offers established under article 3 item 2 of the Securities and Commodities Market Law of Guatemala, Decree 34-96 and its reforms of the Congress of Guatemala

GUERNSEY

This Offering Circular may only be made available in or from within the Bailiwick and any offer of Instruments referred to in this Offering Circular may only be made in or from within the Bailiwick of Guernsey:

(a) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the POI Law); or

(b) by non-Guernsey bodies who (a) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within, and under the law of certain designated countries or territories which, in the opinion of GFSC, afford adequate protection to investors and (b) meet the criteria specified in section 29(c) of the POI Law; or

(c) to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 by non-Guernsey bodies who (a) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within, and under the law of certain designated countries or territories which, in the opinion of GFSC, afford adequate protection to investors and (b) meet the criteria specified in section 29(cc) of the POI Law; or

(d) as otherwise permitted by the GFSC.

HONDURAS

The Instruments being offered/sold are issued by the relevant Issuer and are not subject to the laws of Honduras nor regulated by the *Comisión Nacional de Bancos y Seguros* ("**CNBS**"), therefore, if any claim should arise regarding the Instruments, their sale and/or distribution, the investor will not have any protection by the CNBS and will have to elevate any claim to the corresponding authority outside of Honduras.

HONG KONG

In relation to each Tranche of Instruments issued by the relevant Issuer, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Instruments (except for Instruments which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation, or document relating to the Instruments, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Instruments that are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

INDONESIA

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "Indonesia Stock Exchange" is specified as the "Exchange" or (b) "Indonesia Selling Restrictions" are specified to be applicable in the applicable Final Terms:

This Offering Circular does not constitute a public offering under the Indonesian Capital Market Law, Law No. 8 of 1995 and its implementing regulations ("**Indonesian Capital Market Law**"). This Offering Circular may not be distributed or passed on within Indonesia or to persons who are citizens of Indonesia (wherever they are domiciled or located) or entities or residents in Indonesia. The Instruments under this Offering Circular may not be offered or sold, directly or indirectly, within Indonesia or to Indonesian citizens (wherever they are domiciled or located), entities or residents in a manner which constitutes a public offering of the Instruments under the laws and regulations of Indonesia, including but not limited to the Indonesian Capital Market Law as amended or replaced from time to time. The Indonesian Financial Services Authority (locally known as Otoritas Jasa Keuangan, as the successor of Bapepam & LK) does not review or declare its approval or disapproval on the issuance of the Instruments, nor does it make any determination as to the accuracy or adequacy of this Offering Circular. Any statement to the contrary is a violation of Indonesian law.

ISRAEL

An offer of Instruments is intended solely for investors listed in the First Supplement of the Israeli Securities Law of 1968, as amended. A prospectus has not been prepared or filed, and will not be prepared or filed, in Israel relating to the Instruments. The Instruments cannot be resold in Israel other than to investors listed in the First Supplement of the Israeli Securities Law of 1968, as amended in a manner that will not require the publication of a prospectus in Israel in accordance with the Israeli Securities Law of 1968 and guidance published by the Israel Securities Authority.

No action will be taken in Israel that would permit an offering of the Instruments or the distribution of any offering document or any other material to the public in Israel. In particular, no offering document or other material has been reviewed or approved by the Israel Securities Authority. Any material provided to an offeree in Israel may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been provided directly by the relevant Issuer, the Guarantor (if applicable) or the Dealers.

Nothing in this Offering Circular, the Final Terms or any offering document or other material, should be considered as the rendering of a recommendation or advice, including investment advice or investment marketing under the Law For Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management, 1995, to purchase any Instruments. The purchase of any Instrument will be based on an investor's own understanding, for the investor's own benefit and for the investor's own account and not with the aim or intention of distributing or offering to other parties. In purchasing the Instruments, each investor declares that it has the knowledge, expertise and experience in financial and business matters so as to be capable of evaluating the risks and merits of an investment in the Instruments, without relying on any of the materials provided.

ITALY

The offering of the Instruments has not been registered with CONSOB – *Commissione Nazionale per le Società e la Borsa* (the Italian Companies and Exchange Commission) pursuant to Italian securities legislation and, accordingly, no Instruments may be offered, sold or delivered, nor many copies of this Offering Circular or of any other document relating to the Instruments be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*) as defined in Article 34-ter, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**CONSOB Regulation No. 11971**"), pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Italian Financial Services Act**"); or

(b) in other circumstances which are exempted from the rules on offerings of securities to the public pursuant to Article 100 of the Italian Financial Services Act and Article 34-ter, first paragraph, of CONSOB Regulation No 11971.

Any offer, sale or delivery of the Instruments or distribution of copies of this Offering Circular or any other document relating to the Instruments in the Republic of Italy under (a) or (b) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended (the "**Consolidated Banking Act**"), and Regulation No. 20307 of 15 February 2018 (as amended from time to time); and

(ii) in compliance with Article 129 of the Consolidated Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may require the relevant Issuer or any entity offering Instruments to provide data and information on the issue or the offer of securities in the Republic of Italy; and

(iii) in compliance with any other applicable laws and regulations, as well as with any regulations or requirements imposed by CONSOB, the Bank of Italy or other Italian authority.

Offering and Sale

In accordance with Article 100-bis of the Italian Financial Services Act, concerning the circulation of financial products, where no exemption from the rules on offerings of securities to the public applies under (a) and (b) above, the subsequent distribution of the Instruments on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Italian Financial Services Act and CONSOB Regulation No. 11971. Furthermore, Article 100-bis of the Italian Financial Services Act affects the transferability of the Instruments in the Republic of Italy to the extent that any placing of the Instruments is made solely with qualified investors and the Instruments are then systematically resold to non- qualified investors on the secondary market at any time in the 12 months following such placing. Where this occurs, if a prospectus has not been published, purchasers of the Instruments who are acting outside of the course of their business or profession may be entitled to declare such purchase null and void and to claim damages from any authorised intermediary at whose premises the Instruments were purchased, unless an exemption provided for by the Italian Financial Services Act applies.

JAMAICA

This Offering Circular is not intended for use in relation to offers made in Jamaica, and is not to be construed as an invitation to any person other than its intended recipient to subscribe or apply for any of the Instruments.

The offer of these Instruments is not a public offer in Jamaica and is, in all circumstances, not calculated to result directly, or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation.

JAPAN

The Instruments have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**"). Each Dealer has represented, warranted and agreed, and each further Dealer or distributor appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold and will not offer or sell any Instruments, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

If the solicitation constitutes qualified institutional investors solicitation (*tekikaku-kikan-toshika-muke-kanyu*) under Article 23-13, Paragraph 1 of the FIEA (the "**QII Solicitation**"), the Instruments are being solicited only to qualified institutional investors (the "**QIIs**") as defined in Article 10 of the Cabinet Office Ordinance Concerning the Definition of Terms provided in Article 2 of the FIEA and the investor

of any Instruments is prohibited from transferring such Instruments to any person in any way other than to QIIs. As the solicitation of offering constitutes QII Solicitation, no securities registration statement has been or will be filed under Article 4, Paragraph 1 of the FIEA.

If the solicitation constitutes small number of investors solicitation (*shoninzu-muke-kanyu*) under Article 23-13, Paragraph 4 of the FIEA (the "**Small Number of Investors Solicitation**"), the Instruments are being solicited only to a small number of potential investors (i.e., less than 50 offerees, except QIIs who are solicited pursuant to the QII Solicitation), and the investor of any Instruments (other than the above-mentioned QII investors) is prohibited from transferring such Instruments to another person in any way other than as a whole to one transferee unless the total number of Instruments is less than 50 and the Instruments cannot be divided into any unit/denomination smaller than the unit/denomination represented on the Instrument certificate therefor. As the offering constitutes Small Number of Investors Solicitation, no securities registration statement has been or will be filed under Article 4, Paragraph 1 of the FIEA.

JERSEY

Each offer of Instruments relates to a private placement to fewer than 50 potential Jersey investors and does not constitute an offer to the public in Jersey to subscribe for the Instruments offered hereby. Consent under the Control of Borrowing (Jersey) Order 1958 has not been obtained for the circulation of this offer and it must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Issuer. By accepting any offer of Instruments each prospective investor in Jersey represents and warrants that he or she is in possession of sufficient information to be able to make a reasonable evaluation of the offer. The offer of Instruments is personal to the person to whom the Offering Circular is being delivered by or on behalf of the Issuer, and a subscription for the Instruments will only be accepted from such person. The Offering Circular may not be reproduced or used for any other purpose.

LUXEMBOURG

This Offering Circular has not been approved by and will not be submitted for approval to the Luxembourg financial sector supervisory authority (*Commission de Surveillance du Secteur Financier*) (the "**CSSF**") for purposes of a public offering or sale in Luxembourg. Accordingly, the Instruments may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this Offering Circular nor any other offering circular, form of application, advertisement or other material related to such Instruments may be distributed, or otherwise be made available in or from, or published in, Luxembourg except in circumstances where the offer benefits from an exemption to or constitutes a transaction otherwise not subject to the requirement to publish a prospectus for the purpose of the Regulation (EU) 2017/1129 and the Luxembourg law of 16 July 2019 on prospectuses for Securities.

MALAYSIA

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "Bursa Malaysia" is specified as the "Exchange" or (b) "Malaysia Selling Restrictions" are specified to be applicable in the applicable Final Terms:

The Instruments may not be sold or offered in, or to persons in, Malaysia. No action has been, or will be, taken to comply with Malaysian laws for making available, offering for subscription or purchase, or issuing any invitation to subscribe for or purchase or sale of the Instruments in Malaysia or to persons in Malaysia as the Instruments are not intended by the Issuer to be made available, or made the subject of any offer or invitation to subscribe or purchase, in Malaysia. Neither this Offering Circular, nor any other document or material in connection with the Instruments should be distributed, caused to be distributed or circulated, in Malaysia. No person should make available or make any invitation or offer or invitation to sell or purchase the Instruments in Malaysia unless such person takes the necessary action to comply with Malaysian laws.

MAURITIUS

The offering contemplated in this Offering Circular is not, and shall not under any circumstances be construed as, a public offering of the Instruments under the Mauritian Securities Act 2005, as amended (the "**Securities Act**") described herein. This Offering Circular and the Instruments described herein

have not been and will not be registered or qualified for offer or sale under the laws of any jurisdiction governing the offer or sale of the Instruments or other securities, and this Offering Circular shall not constitute an offer to sell or solicitation of an offer to buy the Instruments described herein nor shall there be any sale of the Instruments in any jurisdiction in which such offer, solicitation or sale is not authorized or to any person to whom it is unlawful to make such offer, solicitation or sale.

MEXICO

The Instruments have not been and will not be registered in the National Securities Registry (*Registro Nacional de Valores*). Therefore, the Instruments may not be offered or sold in the United Mexican States ("**Mexico**") by any means except in circumstances which constitute a private offering (*oferta privada*) pursuant to Article 8 of the Securities Market Law (*Ley del Mercado de Valores*) and its regulations. All applicable provisions of the Securities Market Law must be complied with in respect of anything done in relation to the Instruments in, from and otherwise involving Mexico.

Any private offering under this Programme is being performed by Bank of America Corporation, an entity incorporated pursuant to the laws of the United States of America, and/or certain of its affiliates incorporated in various jurisdictions. None of Bank of America Corporation or such of its affiliates holds any authorisation, permit or license issued by any Mexican governmental agency, regulator or authority in order to operate as a financial entity in Mexico and is not subject to the supervision of Mexican financial authorities.

If the acquirer of the Instruments or holder of the account(s) to which Instruments are allocated is located in Mexico, the investor in the Instruments represents and warrants that (i) such acquirer or account holder is either (A) an Institutional Investor (*inversionista institucional*) within the meaning of the Mexican Securities Market Law (*Ley del Mercado de valores*) or (B) a Qualified Investor (*inversionista calificado*) within the meaning of the Mexican Securities Market Law (*Ley del Mercado de Valores*) and the regulations in effect as of the date hereof, and (ii) in the case of (A), the acquisition of the Instruments complies with its applicable investment regime.

NEW ZEALAND

No action has been taken to permit the Instruments to be offered or sold to any retail investor, or otherwise under any regulated offer in terms of the Financial Markets Conduct Act 2013 ("**FMCA**"). In particular, no product disclosure statement under the FMCA has been prepared or lodged in New Zealand in relation to the Instruments.

No person may directly or indirectly offer, sell or deliver any Instruments in New Zealand, or distribute or publish in New Zealand any offering material or advertisement to any person in relation to any offer of Instruments, in New Zealand, other than to a "wholesale investor" as that term is defined in clause 3(2)(a), (c) or (d) of Schedule 1 to the FMCA, being a person who is:

(i) an "investment business";

(ii) "large"; or

(iii) a "government agency",

in each case as defined in Schedule 1 to the FMCA.

No person may directly or indirectly offer, sell or deliver any Instruments (or any interest in any of the Instruments) to any person that:

(a) is resident in New Zealand for New Zealand income tax purposes; or

(b) carries on business in New Zealand through a fixed establishment (as defined in the Income Tax Act 2007) in New Zealand and either:

(i) is a registered bank (as defined in the Income Tax Act 2007); or

(ii) would hold the Instruments for the purposes of a business it carries on in New Zealand through such fixed establishment,

unless such person certifies that they hold a valid certificate of exemption (or, on or after 1 April 2020, that they have RWT-exempt status (as defined in the Taxation (Annual Rates for 2017-18, Employment and Investment Income, and Remedial Matters) Act)) for New Zealand resident withholding tax purposes and provides a New Zealand tax file number to the Issuer.

NICARAGUA

In Nicaragua, the Instruments have not and will not be authorised or registered for public offering with the Superintendent of Banks and Other Financial Institutions (*Superintendencia de Bancos y Otras Instituciones Financieras*) or the Nicaraguan Stock Exchange (*Bolsa de Valores de Nicaragua*) because they will not be offered, placed, distributed, commercialised or negotiated to the public in Nicaragua. The Instruments shall not be offered or sold to any person in an open market, by means of mass communication media or any other mean of massive disclosure in Nicaragua. Nothing in this document or any other documents, information or communications related to the Instruments shall be interpreted as containing any public offer in Nicaragua.

PAKISTAN

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and either "The Karachi Stock Exchange" or "The Islamabad Stock Exchange" is specified as the "Exchange" or (b) "Pakistan Selling Restrictions" are specified to be applicable in the applicable Final Terms:

The Instruments are not intended to be offered or sold to any person resident in Pakistan. In addition, neither this Offering Circular nor any other document, promotional material or any notice that issues, offers for subscription or purchase, or makes invitations to subscribe for or purchase, the Instruments, or directly or indirectly refers to this Offering Circular relating to the Instruments or the issue or offer of the Instruments or any invitation in respect of the Instruments, may be distributed or published in Pakistan. Accordingly, no person in Pakistan, receiving a copy of this Offering Circular may treat the same as constituting an invitation or offer to him to purchase or otherwise deal with such Instruments. Further, any dealing in the Instruments by residents of Pakistan may attract restrictions under the Pakistani Foreign Exchange Regulation Act, 1947 (VII of 1947) which restrictions may include procuring the consent of State Bank of Pakistan (the Central Bank).

By the purchase of any Instruments, each holder of such Instruments will be deemed to represent and warrant that it is not a Person who is a resident of Pakistan (a "**Restricted Entity**"). A "**Person**" includes any firm, company, corporation, trust, government, agency, regulatory body, any association or partnership (whether or not having separate legal personality) or any individual, or any combination of two or more of the foregoing. Further, each holder of such Instruments will be deemed to undertake and agree that it is in full compliance with the selling restrictions above and it will not offer, sell or transfer such Instruments to a Restricted Entity.

PANAMA

The Instruments have not been and will not be registered with the Superintendence of Capital Markets of the Republic of Panama under Decree law No.1 of July 8, 1999 (as amended to date, the "**Panamanian Securities Act**") and may not be publicly offered or sold within Panama, except in certain limited transactions exempt from the registration requirements of the Panamanian Securities Act. The Instruments do not benefit from the tax incentives provided by the Panamanian Securities Act and are not subject to regulation or supervision by the Superintendence of Capital Markets of the Republic of Panama.

Neither the Instruments nor the offer, sale or transactions related to the same have been registered with the Superintendence of Capital Markets. The exemption from registration is based on paragraph (3) of Article 129 of the Amended and Restated Text of Law Decree No 1 of July 8, 1999 (Institutional Investors). Accordingly, the tax treatment set forth in Articles 334 thru 336 of said Amended and Restated Text of Law Decree No 1 of July 8, 1999 is not applicable. The Instruments are not subject to the supervision of the Superintendence of Capital Markets.

PARAGUAY

The Instruments will only be offered either **(a)** in compliance with the following conditions (1) Instruments are offered on a one-to one basis, (2) no solicitation takes place in the investor's jurisdiction

(3) all documents are executed outside Paraguay and (4) settlement occurs through a clearing system outside Paraguay and Instruments are allocated to accounts located either abroad or in Paraguay, or **(b)** as a result of an approach made by a potential client on an unsolicited basis, regardless of whether the unsolicited counterparty is a retail client or professional client, and where the response to the request and subsequent offer occurs outside Paraguay. Offers carried in the manner described either under (a) or (b) above, do not constitute a public offering of securities or other financial products and services in Paraguay. The investor acknowledges that the securities and financial products offered herein were issued outside of Paraguay. The investor acknowledges that any legal matter arising from any offer of Instruments shall not be submitted to any Paraguayan government authority. The investor acknowledges that the Paraguayan Deposit Insurance legislation does not insure investments in the offered securities. The Paraguayan Central Bank (*Banco Central del Paraguay*), the Paraguayan National Stock Exchange Commission (*Comisión Nacional de Valores del Paraguay*), and the Paraguayan Banking Superintendency (*Superintendencia de Bancos del Banco Central del Paraguay*) do not regulate the offering of these securities or any obligations that may arise from such offering. The investor should make their own decision whether the offering meets their investment objectives and risk tolerance level.

Los Instrumentos sólo serán ofrecidos (a) en cumplimiento de las siguientes condiciones (1) los Instrumentos son ofrecidos en formal personal (uno a uno), (2) los ofrecimientos no son realizados en Paraguay, (3) todos los documentos son firmados fuera de Paraguay y (4) la liquidación ocurre a través de un sistema de compensación fuera de Paraguay y los Instrumentos son asignados a cuentas ubicadas ya sea en el extranjero o en Paraguay, o (b) como resultado de una aproximación hecha por un cliente potencial de forma no solicitada, independientemente de si la contraparte no solicitada es un cliente sofisticado o no sofisticado, y la respuesta a la solicitud y la oferta subsiguiente ocurren fuera de Paraguay. La oferta realizada de la forma (a) o (b) antes descripta no constituye el ofrecimiento público de valores u otros productos y servicios financieros en Paraguay. Ud. reconoce que los valores y los productos financieros ofrecidos por este medio fueron emitidos fuera del Paraguay. Ud. acepta que cualquier disputa o conflicto legal que surja en virtud de esta oferta no será sometida a autoridad paraguaya alguna. Asimismo, Ud. reconoce que la Ley de Garantía de Depósitos de su país de residencia no cubre los productos ofrecidos por este medio, ni los activos y fondos transferidos a estos efectos. El Banco Central del Paraguay, la Comisión Nacional de Valores del Paraguay, y la Superintendencia de Bancos del Banco Central del Paraguay no regulan ni son responsables de la oferta de estos productos o su aceptación. Ud. debe evaluar si la presente oferta cumple con sus objetivos de inversión y niveles de tolerancia de riesgos.

PERU

The present private offering of Instruments is not under the scope of the Peruvian Securities Market Law and Primary Public Offerings and Sale of Securities Regulations, there are no specific legal mechanisms that oblige the Issuer and/or offeror of these Instruments to reveal the necessary information neither before nor after the placement or sale of Instruments, and therefore, the provided information has not been reviewed by the Superintendence of Securities Market (*Superintendencia del Mercado de Valores -SMV*). This Offering Circular and other offering materials relating to the offer of the Instruments are exclusively directed to Peruvian Institutional Investors (as defined by Peruvian legislation), and, other than as specified herein, may not be offered or sold to or for the account or benefit of any person who does not qualify as a Peruvian Institutional Investor. Neither the Issuer nor the Guarantor nor the offeror is regulated nor supervised by the Peruvian Banking, Insurance and Private Pension Funds Superintendence.

PHILIPPINES

Under Republic Act No. 8799, known as the Securities Regulation Code of the Philippines (the "**Code**") and its implementing rules, securities, such as the Instruments, are not permitted to be sold or offered for sale or distribution within the Philippines unless such securities are approved for registration by the Securities and Exchange Commission of the Philippines ("**SEC**") or are otherwise exempt securities or sold pursuant to an exempt transaction.

To the extent that the Code is deemed applicable to any offering of Instruments to Philippine investors, the Instruments are being offered pursuant to an exempt transaction under Section 10.1(l) or the qualified buyer exemption of the Code.

THE INSTRUMENTS DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE SEC UNDER THE CODE. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

PORTUGAL

The offer of the Instruments has not been subject to approval in Portugal under the Portuguese Securities Code approved by Decree-Law 486/99, of 13 November 1999, as amended from time to time (*Código dos Valores Mobiliários*) and, therefore, the Instruments may not be offered or sold within the Republic of Portugal or to, or for the account or benefit of, Portuguese persons except in circumstances which cannot be construed as a public offering of Instruments in the Republic of Portugal within the meaning of the Portuguese Securities Code, or pursuant to any exemption from public offering rules set out in any applicable Portuguese law.

The Instruments may not be offered to retail investors (as defined in Regulation (EU) No 1286/2014 ("**PRIIPs Regulation**")) in Portugal unless (i) any key information document required under the PRIIPs Regulation, the PRIIPs legal framework approved by Decree-Law 35/2018 and the CMVM Regulation 8/2008 (collectively the "**PRIIPs Rules**") is prepared and delivered to the investors, (ii) any required registration, filing, approval or recognition of such document or any advertising material with or by the CMVM is made or obtained and (iii) compliance with all laws and regulations applicable in Portugal to such offering is ensured.

SINGAPORE

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**") under the Securities and Futures Act 2001, as amended or modified (the "**SFA**").

Where the Instruments are not linked to any Reference Items which are securities (as defined in the SFA) or shares or units of a "collective investment scheme" (as defined in the SFA), or the Instruments are linked to Reference Items which are shares (other than units of a "collective investment scheme" (as defined in the SFA)) of a corporation (whether incorporated in Singapore or elsewhere), debentures of an entity, units in a business trust or any instrument conferring or representing a legal or beneficial ownership interest in a corporation, partnership or limited liability partnership formed in Singapore or elsewhere (each of the foregoing, a "**SFA Security**"), or any derivatives contract of which the underlying thing or any of the underlying things is a SFA Security or a SFA Securities index, or such other product or class of products prescribed by the MAS but such Instruments are only cash settled, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Instruments may not be circulated or distributed, nor may the Instruments be offered or sold, or be made the subject of an invitation or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A(1)(c) of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A(1)(a) of the SFA) pursuant to Section 275(1) of the SFA and in accordance with the conditions specified in Section 275 of the SFA and, where applicable, the conditions specified in Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Instruments are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 2(1) of the SFA) or securities-based derivatives contracts (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Instruments pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Where the Instruments are linked to and there may be physical delivery of Reference Items which are shares (other than units of a "collective investment scheme" (as defined in the SFA)) of a corporation (whether incorporated in Singapore or elsewhere), debentures of an entity, units in a business trust or any instrument conferring or representing a legal or beneficial ownership interest in a corporation, partnership or limited liability partnership formed in Singapore or elsewhere (each of the foregoing, a "**SFA Security**") or any derivatives contract of which the underlying thing or any of the underlying things is a SFA Security or a SFA Securities index, or such other product or class of products prescribed by the MAS, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Instruments or Reference Items may not be circulated or distributed, nor may the Instruments or Reference Items be offered or sold, or be made the subject of an invitation or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A(1)(c) of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A(1)(a) of the SFA) pursuant to Section 275(1), and in accordance with the conditions specified in Section 275 of the SFA and, where applicable, the conditions specified in Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Instruments or Reference Items are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 2(1) of the SFA) or the securities-based derivatives contracts (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Instruments or Reference Items pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Where the Instruments are linked to Reference Items which constitute units in an underlying fund (a "**Fund**") which is a "collective investment scheme" (as defined in the SFA) (such Reference Items being "CIS Reference Items" and such Instruments being "**Fund Linked Instruments**") but are cash-settled and do not provide for any right or interest (including an option to acquire any such right or interest) in

respect of units in the Fund, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Fund Linked Instruments may not be circulated or distributed, nor may the Fund Linked Instruments be offered or sold, or be made the subject of an invitation or purchase, whether directly or indirectly, to persons in Singapore other than to an institutional investor (as defined in Section 4A(1)(c) of the Securities and Futures Act 2001, as amended or modified (the "**SFA**")) pursuant to Section 274 of the SFA or, as the case may be, Section 276(2)(a) of the SFA.

Where the Fund Linked Instruments provide for a right to physical delivery of the CIS Reference Items (whether such right is contingent on the fulfilment of any condition or not), and additionally, the Fund Linked Instruments provide for a right or interest (including an option) in respect of units in a CIS Reference Item, the offer or invitation of the Fund Linked Instruments and CIS Reference Items, which is the subject of this Offering Circular, does not relate to a collective investment scheme which is authorised under Section 286 of the SFA or recognised under Section 287 of the SFA. This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Fund Linked Instruments or CIS Reference Items may not be circulated or distributed, nor may the Fund Linked Instruments or CIS Reference Items 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 to an institutional investor (as defined in Section 4A(1)(c) of the SFA) under Section 304 or, as the case may be, Section 304A of the SFA.

SOUTH AFRICA

No Issuer or Dealer shall be entitled to issue or offer any Instruments to the general public or to solicit the subscription for any Instruments by the general public. Instruments may only be offered by an Issuer or Dealer to such persons and in the manner described in section 96(1) of the Companies Act, 2008.

This document, and any other relating to the Instruments, is for distribution in the Republic of South Africa (and shall be distributed and disseminated in the Republic of South Africa) only to (i) banks (duly registered as such in the Republic of South Africa), mutual banks (duly registered as such in the Republic of South Africa) or insurers (duly registered as such in the Republic of South Africa) acting as principals, or to wholly owned subsidiaries of such duly registered banks, mutual banks or insurers acting as agents in the capacity of authorised portfolio managers for a duly registered pension fund or as manager for a collective investment scheme, managed by the said wholly owned subsidiary which is duly registered as a management company in terms of applicable South African legislation, and/or (ii) addressees where the total acquisition cost of the Instruments for a single addressee acting as principal is at least ZAR1,000,000. This document, and any other relating to the Instruments, is furthermore given to the investor only in relation to an anticipated private offering of the Instruments by the Issuer and/or Dealer and not in relation to any offer of which may or are to be made to members of the public.

SOUTH KOREA

The Instruments have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**") and the Instruments have been and will be offered in Korea as a private placement under the FSCMA. None of the Instruments may be offered, sold and delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). For a period of one year from the issue date of the Instruments, any acquirer of the Instruments who was solicited to buy the Instruments in Korea is prohibited from transferring any of the Instruments to another person in any way other than as a whole to one transferee. Furthermore, the purchaser of the Instruments shall comply with all applicable regulatory requirements (including, but not limited to, requirements under the FETL) in connection with the purchase of the Instruments.

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant, and agree, that it has not offered, sold or delivered the Instruments, directly or indirectly, or offered or sold the Instruments to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea and will not offer, sell or deliver the Instruments, directly or indirectly, or offer or sell the Instruments to any person for re-offering or resale,

directly or indirectly, in Korea or to any resident of Korea, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FSCMA, the FETL and other relevant laws and regulations of Korea.

SPAIN

This Offering Circular has not been and it is not envisaged to be approved by, registered or filed with or notified to the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) or any other regulatory authority in Spain or in any other jurisdiction. It is not intended for the public offering or sale of the Instruments in Spain and does not constitute a prospectus (registration document or securities note) for the public offering of the Instruments in Spain.

The marketing, offering, sale, subsequent resale or delivery of the Instruments contemplated in this Offering Circular or the distribution of this Offering Circular (or any other document or copies thereto relating to the Instruments) in Spain shall not constitute a public offering of the Instruments in Spain, pursuant to the requirements set forth by Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the Prospectus to be published when securities are offered to the public or admitted to trading on a regulated market ("**EU Prospectus Regulation**"), Article 35 of the Royal Legislative Decree 4/2015 of 23 October of the Securities Markets (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*), as amended and restated ("**Securities Market Act**") and Article 38 of Royal Decree 1310/2005, of 4 November, of 28 July on admission to trading of securities in official secondary markets, public offerings and prospectus, (*Real Decreto 1310/2005, de 4 de noviembre, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), ("**RD 1310/2005**"), as further amended, restated and supplemented from time to time.

Accordingly, no Instruments may be offered, sold, resold, delivered or marketed nor may any copies of this Offering Circular or any other document relating to the Instruments be distributed in Spain and investors in the Instruments may not sell or offer such Instruments in Spain, other than in compliance with the EU Prospectus Regulation, the Securities Markets Act and the RD 1310/2005 and any other related legislation in force from time to time, so that any sale or offering of the Instruments is not classified as a public offering in Spain.

ST. KITTS AND NEVIS

Offers and sales to persons in St. Kitts and Nevis, temporarily or permanently, resident or not can only be conducted in compliance with the following:

1. no contact whatsoever including meeting, email, telephone, or other communication) is made with an individual investor or with directors, officers, employers, agents or representatives of the investor while any such person is in St. Kitts and Nevis;

2. all title and documentation relating to investments held or dealt with for the investor are kept outside St. Kitts and Nevis;

3. no form or other documents relating to any investments held or dealt with for the investor are signed in St. Kitts and Nevis; and

4. no monies are transferred to or from St. Kitts and Nevis relating to investments held or dealt with for the investor.

TAIWAN

The Instruments may not be issued, sold, or offered in Taiwan. No subscription or other offer to purchase the Instruments shall be binding on the relevant Issuer or (if applicable) the Guarantor until received and accepted by the relevant Issuer or any Dealer outside of Taiwan (the "**Place of Acceptance**"), and the purchase/sale contract arising therefrom shall be deemed a contract entered into in the Place of Acceptance.

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and either "Taiwan Stock Exchange" or "Taipei Exchange" is specified as the "Exchange" or (b) "Taiwan Selling

Restrictions" are specified to be applicable in the applicable Final Terms; or for Index Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and either "Taiwan Stock Exchange" or "Taipei Exchange" is specified as the "Exchange" or (b) "Taiwan Selling Restrictions" are specified to be applicable in the applicable Final Terms:

(A) By the purchase of any W&C Instruments, on the date of purchase and on each day the W&C Instruments are being held, each purchaser will be deemed to represent and warrant that:

(1) If the purchaser is not a fund,

(a) it is not, and it is not purchasing the W&C Instruments for the benefit or account of (i) any person with household registration in, or any entity(ies) incorporated in the People's Republic of China (excluding Hong Kong and Macau) (the "**PRC**") (collectively "**PRC Person**"), (ii) any entity(ies) incorporated outside the PRC (including any entity(ies) incorporated in Hong Kong or Macau) that is controlled by PRC Person(s), or (iii) any entity(ies) incorporated outside the PRC (including any entity(ies) incorporated in Hong Kong or Macau) which is more than thirty per cent. (30 per cent.) owned, directly or indirectly, by PRC Person(s);

(b) it is not purchasing the W&C Instruments utilising funds sourced from the PRC or Taiwan; and

(c) when purchasing the W&C Instruments, it is not (i) a director, supervisor, manager or shareholder holding directly or indirectly through nominees, his/her spouse or minor children more than ten per cent. (10 per cent.) of the shares of a Taiwan company the shares of which are traded on the Taiwan Stock Exchange or Taipei Exchange which are or constitute the underlying of the W&C Instruments (an "**Insider**"), or (ii) the spouse or minor child of an Insider; or (iii) a person or entity which would be deemed to be a "nominee" of an Insider.

(2) If the purchaser is a fund,

(a) it is:

(i) a publicly offered fund domiciled outside Taiwan and outside the People's Republic of China (excluding Hong Kong and Macau) (the "**PRC**") (a "**Non-PRC Fund**"), the management company of which is (A) not incorporated in the PRC and (B) not controlled, or more than thirty per cent. (30 per cent.) directly or indirectly owned, by persons with household registration in, or entity(ies) incorporated in, the PRC (collectively, "**PRC Person**") (without regard to the percentage of the investments by the PRC Persons in the Non-PRC Fund);

(ii) a publicly offered Non-PRC Fund, the management company of which is (A) incorporated in the PRC, or (B) incorporated outside the PRC and controlled or more than thirty percent (30%) directly or indirectly owned by PRC Person(s), but which does not have investments by PRC Persons exceeding 30% of the Non-PRC Fund's assets under management; or

(iii) a privately placed Non-PRC Fund and is not controlled or more than thirty percent (30%) directly or indirectly owned by PRC Person(s);

(b) all amounts paid or to be paid by the purchaser with respect to the purchase of the W&C Instruments, are remitted from, or will be remitted from, a source outside the PRC and Taiwan; and

(c) when purchasing the W&C Instruments, it is not (i) shareholder holding directly or indirectly through nominees more than ten per cent. (10 per cent.) of the shares issued by, or a director, supervisor or manager of, a Taiwan company the shares of which are traded on the Taiwan Stock Exchange or Taipei Exchange which are or constitute the underlying of the W&C Instruments (an "**Insider**"), or (ii) a person or entity which would be deemed to be a "nominee" of an Insider.

(B) Further, by the purchase of any W&C Instruments, each purchaser of the W&C Instruments is deemed to have (i) authorised, instructed and empowered the relevant Issuer, the Guarantor, the Dealer and any of their affiliates to submit all such information and file all such reports with the regulatory authorities of Taiwan regarding the purchaser, the W&C Instruments, or otherwise as may be required by the Taiwan Regulations Governing Investments in Securities by Overseas Chinese and Foreign Nationals or otherwise as may reasonably be requested by Taiwan authorities; (ii) undertaken and agreed that it will provide the relevant Issuer, the Guarantor, the Dealer or any of their affiliates or, to the extent permitted by the relevant governmental or regulatory authority, provide directly to such governmental or regulatory authority, such additional information, from time to time, that the relevant Issuer, the Guarantor, the Dealer or any of its affiliates deems necessary or appropriate in order to comply with any request by any governmental or regulatory authority or the court of competent authority or if so required under applicable regulations in Taiwan; and (iii) waived any objection the purchaser may have with respect to (i) and (ii) above on the grounds of confidentiality or otherwise. For the avoidance of doubt, such authorisation, instruction, undertaking, agreement and waiver shall survive the maturity or expiration date of such W&C Instruments.

THAILAND

The Instruments have not been and will not be registered with, or approved by, the Office of the Securities and Exchange Commission of Thailand and, accordingly, the Instruments cannot be directly or indirectly, offered or sold to any person within Thailand, unless to the extent permitted by applicable laws and regulations. Neither this Offering Circular nor any other document or material in connection with the offer or sale, or invitation for subscription for or purchase, of the Instruments may be circulated or distributed or caused to be circulated or distributed, whether directly or indirectly, to any persons in Thailand, except permitted otherwise by applicable laws and regulation.

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "The Stock Exchange of Thailand" is specified as the "Exchange" or (b) "Thailand Selling Restrictions" are specified to be applicable in the applicable Final Terms:

The W&C Instruments, including this Offering Circular, or any other document or material in connection with the offer or sale, or invitation for subscription for or purchase, of the W&C Instruments, have not been and will not be registered with, or approved by, the Office of the Securities and Exchange Commission of Thailand for the purpose of offering or selling to any persons in Thailand. Accordingly, the W&C Instruments, regardless of whether the underlying to which they are linked is a Thai-listed share, cannot be, directly or indirectly, offered or sold to any person within Thailand. Neither this Offering Circular nor any other document or material in connection with the offer or sale, or invitation for subscription for or purchase, of the W&C Instruments may be circulated or distributed or caused to be circulated or distributed, whether directly or indirectly, to any persons in Thailand.

By the purchase of any W&C Instruments, on the date of purchase and on each day the W&C Instruments are being held, each purchaser will be deemed to represent and warrant that:

(a) it is not a Thai person/resident or entity located in Thailand or incorporated under Thai law;

(b) it has not been offered or invited to purchase or invest in the W&C Instruments in Thailand, notwithstanding that the underlying of the W&C Instruments is a Thai-listed share;

(c) its purchase of, or investment in, the W&C Instruments is made in compliance with all laws and regulations applicable to it; and

(d) it is aware that a re-offering or resale of the W&C Instruments by it will have to be made in compliance with the applicable laws of the relevant jurisdictions and it will not re-offer or resell the W&C Instruments in any country in which such action is prohibited.

UNITED ARAB EMIRATES

The Instruments have not been and will not be offered, sold or publicly promoted or advertised in the United Arab Emirates ("**UAE**") other than in compliance with rules and regulations issued by the UAE Securities and Commodities Authority ("**SCA**") and the UAE Central Bank or any other relevant licensing authorities in the UAE, and any laws applicable in the UAE governing the issue, offering and

sale of the Instruments including, without limitation, the SCA Board of Directors Decision No. (3 /R.M) of 2017 Concerning the Organization of Promotion and Introduction, SCA Board of Directors' Decision No. (22 /R.M) of 2018 Concerning the Regulation of Derivatives Contracts and the UAE Central Bank Notice No. 3803 of 2009. The offering of the Instruments is strictly private and confidential and is only to a limited number of institutional and individual investors in the UAE who are willing and able to conduct an independent investigation of the risks involved in an investment in such Instruments and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose.

URUGUAY

The Instruments have not been registered under Law No. 18,627 of 2 December 2009 with the Superintendence of Financial Services of the Central Bank of Uruguay. The Instruments are not available publicly in Uruguay and are offered only on a private basis to institutional investors and/or high net worth individuals only. No action may be taken in Uruguay that would render any offering of the Instruments a public offering in Uruguay. No Uruguayan regulatory authority has approved the Instruments or passed on the solvency of any of the Issuer or the Guarantor. In addition, any resale of the Instruments must be made in a manner that will not constitute a public offering in Uruguay. Investors of the Instruments confirm that they fully understand English and the content of this document and any other documents provided to such investors and therefore waive the need of being provided with a translation in Spanish thereof.

Los Productos no han sido registrados de acuerdo a Ley No. 18.627 de 2 de Diciembre de 2009 ante la Superintendencia de Servicios Financieros del Banco Central del Uruguay. Los Productos no están disponibles al público y en Uruguay solo han sido ofrecidos privadamente a inversores institucionales y/o particulares con un alto patrimonio. Ninguna acción puede ser tomada en el Uruguay que pudiere convertir a la presente oferta en una oferta pública en el Uruguay. Ninguna autoridad regulatoria en el Uruguay ha aprobado los Productos o aprobado solvencia del Emisor o del Garante. Adicionalmente, cualquier reventa de los Productos debe ser realizada en forma que no constituya una oferta pública en el Uruguay. Los inversores del Producto confirman que comprenden cabalmente el idioma inglés y la información contenida en este documento y cualesquiera otros documentos entregados a dichos inversores, y en consecuencia renuncian a recibir una traducción al español.

VENEZUELA

This document does not constitute a public offering of securities, as it is understood pursuant to article 54 of the Venezuelan Securities Market Law. Accordingly, this document does not necessarily contain all the information a prospective investor would reasonably expect to be contained in an offering document or which he/she may require to make an investment decision.

This information and any other documents or materials related to the Instruments have not been and will not be reviewed or approved by, or registered with the Venezuelan National Securities Superintendence, thus, they have not been registered before the Venezuelan National Securities Registry.

This document does not constitute an offer, invitation, or recommendation in Venezuela to Venezuelan retail investors to subscribe for or purchase any securities and neither this document nor anything contained in it shall form the basis of any such contract or commitment.

Each of the Issuer, the Guarantor (if applicable) and the Dealer only extends the offer of Instruments to investors in Venezuela who are eligible to receive and accept an offer of Instruments in accordance with Venezuelan securities laws. By receiving and accepting an offer of Instruments, the investor represents they are a “Qualified Investor" (as defined in article 85 of the Venezuelan Securities Market Law) or otherwise entitled under Venezuelan law to lawfully receive and accept an offer of Instruments without disclosure.

It shall not be assumed that the relevant transaction(s) will effectively produce the estimated benefits nor that the referred securities will yield similarly to past performance taken into consideration for the relevant transaction(s). Investors should consult their professional advisers if they are in any doubt as to whether they may receive and accept the offer of the Instruments.

This document, and any other related document or material, may not be circulated or distributed publicly to investors in Venezuela, nor may it be used for, or otherwise be deemed, an offering, solicitation, marketing or advertisement of the Instruments to investors in Venezuela.

VIETNAM

For Share Linked W&C Instruments in respect of which (a) the LEPW Conditions apply and "Hanoi Stock Exchange" or "Ho Chi Minh Stock Exchange" is specified as the "Exchange" or (b) "Vietnam Selling Restrictions" are specified to be applicable in the applicable Final Terms:

The W&C Instruments may not be offered or sold in Vietnam or to, or for the benefit of, any corporation or entity incorporated under the laws of Vietnam (a Vietnamese entity), any Vietnamese diplomatic agency or Vietnamese entity's representative office established in any foreign country (a Vietnamese offshore entity), any Vietnamese citizen working for a Vietnamese offshore entity and his/her accompanying family members, any Vietnamese citizen residing in Vietnam or residing abroad for a period of less than 12 months, or any foreigner residing in Vietnam for a period of 12 months or more, unless such investors have obtained the prior written approval of a competent Vietnamese authority in accordance with applicable Vietnamese laws and regulations on foreign exchange control and offshore indirect investment. Any sale or transfer of the W&C Instruments in violation of these restrictions will be invalid and will not be recognised by or on behalf of the relevant Issuer.

GENERAL

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all applicable securities laws and regulations in force known by it, or which reasonably should have been known by it, in any jurisdiction in which it purchases, offers, sells or delivers Instruments or possesses or distributes this Offering Circular or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Instruments under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or delivery and none of the Issuers and the Guarantor shall have any responsibility therefor.

None of the Issuers, the Guarantor and the Dealers represents that Instruments may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Series, the relevant Dealer will be required to comply with such other restrictions as the relevant Issuer, (if applicable) the Guarantor and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

Neither this Offering Circular nor any Final Terms constitute, nor may be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. The distribution of this Offering Circular and the offering and sale of the Instruments may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Circular comes are required by the Issuers, the Guarantor and the Dealers to inform themselves about and to observe any such restrictions.

Without prejudice to the generality of any applicable law, each holder of Share Linked W&C Instruments, and each holder of Index Linked W&C Instruments, in each case in respect of which the LEPW Conditions apply, expressly consents to the disclosure by the relevant Issuer or the Guarantor or any of their respective affiliates to the relevant authorities in the jurisdiction of incorporation or organisation of the relevant Issuer or the Guarantor, Local Jurisdiction (as set out in the applicable Final Terms) or any jurisdiction of tax residence of the relevant Issuer or the Guarantor, information relating to the transaction (including, without limitation, the name of the holder of the W&C Instruments and any dates and amounts specified herein) as may be required in order for the relevant Issuer, the Guarantor or any of their respective affiliates to comply with the laws and regulations of the relevant jurisdictions.

Share Linked W&C Instruments, in respect of which the LEPW Conditions apply and Pre-IPO Share is specified to be applicable in the applicable Final Terms, may not be resold or otherwise transferred until notification of the listing of the Shares on the relevant exchange is given to the holders by the relevant Issuer.

GENERAL INFORMATION

(1) Authorisation

The update of the Programme was duly authorised by (a) the Board of Directors of BAC on 24 October 2013 and a Treasurer Designation of Authorised Officers on 3 May 2022; (b) the Board of Managers of BofA Finance on 15 May 2019; (c) the Board of Directors of MLBV on 26 April 2022; and (d) the Partners of MLICo. on 26 April 2022. The MLBV/MLICo. Guarantee will be issued pursuant to authority granted by the Board of Directors of the Guarantor on 9 December 2008, by a Committee duly appointed by the Board of Directors of the Guarantor on 15 May 2019 and 4 May 2022, and by a Treasurer Designation of Authorised Officers and Appointment of Committee Members on 16 June 2017 and by a Treasurer Designation – Appointment of Committee Members dated 3 May 2022. The BofA Finance Guarantee will be issued pursuant to authority granted by the Board of Directors of the Guarantor on 23 June 2016 and 16 May 2017, by a Treasurer Designation of Authorised Officers on 3 May 2022, and by an Officer's Certificate – Action by Authorised Officer Under Authority of the Board of Directors of the Guarantor, dated 4 May 2022.

(2) Approval, Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for Instruments issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Euro MTF is not a regulated market for the purposes of MiFID II.

(3) Documents Available

So long as any Instrument is outstanding, copies of the following documents will, when published, be available for viewing and can be obtained during normal business hours from the specified office of the Principal Paying Agent (in respect of Exchangeable Notes), the applicable Paying Agent (in respect of Notes) and the applicable W&C Instrument Agent (in respect of W&C Instruments):

(i) the constitutional documents of each of BAC, BofA Finance, MLBV and MLICo.;

(ii) the BAC 2021 Annual Report;

(iii) the BAC 31 March 2022 Quarterly Report;

(iv) the BAC Forms 8-K;

(v) the 2022 BAC Proxy Statement;

(vi) the MLBV 2020 Accounts and the MLBV 2021 Accounts;

(vii) the MLICo. 2020 Accounts and the MLICo. 2021 Accounts;

(viii) the New York Law Agency Agreement, the English Law Agency Agreement, the MLBV Notes Deed of Covenant and the W&C Instruments Deed of Covenant;

(ix) the Secured Instruments Collateral Provider Agreement, each Deed of Charge, the Security Agency Agreement and the Valuation Agency Agreement (save that each Deed of Charge and the Security Agency Agreement will only be available for inspection and copies may be obtained by a holder of Secured Instruments relating thereto and such holder must produce evidence satisfactory to the relevant Issuer and to the relevant Instrument Agent as to its holding of such Instruments and identity).

In addition to the above:

(a) the MLBV/MLICo. Guarantee and the BofA Finance Guarantee will be available for viewing and copies can be obtained during normal business hours from the specified office of the Principal Paying Agent and Principal Instrument Agent;

(b) a copy of this Offering Circular, supplements to this Offering Circular, each Final Terms and the documents incorporated by reference herein will be available for viewing and copies can be obtained during normal business hours at the registered office of the relevant Dealer and at the specified offices of the Principal Paying Agent (in respect of Exchangeable Notes), the relevant Paying Agent (in respect of Notes) and the relevant W&C Instruments Agent (in respect of W&C Instruments) (save that any Final Terms will only be available for inspection by a holder of such Instrument and such holder must produce evidence satisfactory to the relevant Issuer and the relevant Agent as to its holding of Instruments and identity);

(c) a copy of this Offering Circular, supplements to this Offering Circular, each Final Terms relating to the Instruments which are admitted to trading on the Luxembourg Stock Exchange's Euro MTF and the documents incorporated by reference herein will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

BAC's filings with the SEC are available through (1) the SEC's website at www.sec.gov and (2) BAC's website at www.bankofamerica.com.

MLBV's filings of its annual accounts, interim financial statements and other regulated information with the Dutch authority for the financial markets (*Autoriteit Financiële Markten* (the "**AFM**")) are available (i) through the website of the AFM at www.afm.nl, (ii) by calling +31 20-5925-606 or upon written request to MLBV at Amstelplein 1, Rembrandt Tower, 27th Floor, 1096 HA Amsterdam, the Netherlands, and (iii) regarding the annual accounts and interim financial statements, at BAC's website at www.bankofamerica.com.

In order to preserve the exemptions for permitted re-sales and transfers pursuant to Rule 144A, MLBV, MLICo. and BAC have agreed to furnish, upon the request of any holder of a Rule 144A Instrument or a Regulation S/Rule 144A Instrument or of a beneficial interest therein, such information as is specified in Rule 144A(d)(4) under the Securities Act to such holder or beneficial owner or to a prospective purchaser of such Rule 144A Instrument or a Regulation S/Rule 144A Instrument or interest therein in order to permit such holder or beneficial owner to comply with the requirements of Rule 144A in connection with the re-sale, unless, at the time of such request, MLBV or MLICo. is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, or is included in the list of foreign private issuers that claim exemption from the registration requirements of Section 12(g) of the Exchange Act (and therefore is required to furnish the SEC with certain information pursuant to Rule 12g3-2(b) under the Exchange Act). This information may be obtained during normal business hours on any weekday at the specified office of the applicable Paying Agent (in respect of the Notes) or the applicable W&C Instrument Agent (in respect of W&C Instruments), as applicable.

(4) **Clearing Systems**

Information relating to the form of the Instruments and the relevant Clearing Systems is set out under "Form of the Instruments" above.

The address of Euroclear is 1 Boulevard du Roi Albert II B-1210 Brussels, Belgium.

The address of Clearstream, Luxembourg is 42 avenue JF Kennedy, L-1855 Luxembourg.

The address of DTC is 55 Water Street, New York, New York 10041, United States.

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

(5) **Independent Registered Public Accounting Firms**

BAC

The financial statements of Bank of America Corporation as of 31 December 2021 and 31 December 2020 and for each of the three years in the period ended 31 December 2021, incorporated in this Offering Circular by reference to the Annual Report on Form 10-K for the year ended 31 December 2021, and the effectiveness of internal control over financial reporting as of 31 December 2021 have been audited by PricewaterhouseCoopers LLP ("**PwC**"), an

independent registered public accounting firm, as stated in their report incorporated herein. PwC is a member of the American Institute of Certified Public Accountants and is registered with the Public Company Accounting Oversight Board (United States). The address of PwC in the United States is 214 North Tryon Street, Suite 4200, Charlotte, North Carolina 28202, United States.

MLBV

On 26 April 2013, the Audit Committee of the Board of Directors of BAC approved the engagement of PricewaterhouseCoopers Accountants N.V. ("**PwC N.V.**") as independent accountant of MLBV.

On 1 February 2022, the Audit Committee of the Board of Directors of BAC approved the engagement of Mazars Accountants N.V. as independent accountant of MLBV.

The financial statements of MLBV as of and for each of the financial years ended 31 December 2021 and 31 December 2020 have been audited by PwC N.V. According to the public register kept by the AFM, PwC N.V. has obtained a licence from the AFM on the basis of the Dutch act on the supervision of audit firms (*Wet toezicht accountantsorganisaties*) to perform statutory audits (*wettelijke controle*) in respect of organisations of public interest (*organisaties van openbaar belang*), and is registered in the public register kept by the Dutch professional organisation of accountants (*Nederlandse beroepsorganisatie van accountants*). The address of PwC N.V. in Amsterdam is Thomas R. Malthusstraat 5, 1066 JR Amsterdam, the Netherlands.

MLICo.

On 27 April 2009, the Audit Committee of the Board of Directors of BAC approved the engagement of PricewaterhouseCoopers LLP (United Kingdom) ("**PwC UK**") as auditor for MLICo.

The financial statements of MLICo. as of and for each of the financial years ended 31 December 2021 and 31 December 2020, which are incorporated by reference into this Offering Circular, have been audited by PwC UK. PwC UK is a member of the Institute of Chartered Accountants of England and Wales. The address of PwC UK in London is 7 More London Riverside, London SE1 2RT.

BofA Finance

BofA Finance is not required under applicable United States legislation and regulations thereunder to publish stand-alone financial statements because it is exempt under Rule 3-10 of Regulation S-X from publishing financial statements, and is currently included in the consolidated financial statements of BAC. The Guarantor fully, irrevocably and unconditionally guarantees the payment obligations of BofA Finance on its debt securities, including the Notes as described herein. In addition, BofA Finance is not required to file reports under the Exchange Act with the SEC. As a finance subsidiary, BofA Finance has no operating history or independent operations and is not engaged in and does not propose to engage in any activity other than the issuance, administration and repayment of its debt securities and lending the net proceeds from the sale thereof to the Guarantor and/or its subsidiaries. **BofA Finance is thus not subject to audit and thus it has no auditors that are supervised by a foreign audit oversight authority recognised by the Swiss Federal Council in accordance with Article 8 of the Audit Oversight Act ("AOA") and Annex 2 of the Audit Oversight Ordinance dated 22 August 2007, as amended (the "AOO").**

MLI

PwC UK has been auditor for MLI since year ending 31 December 2009. The financial statements of MLI as of and for each of the financial years ended 31 December 2021 and 31 December 2020, have been audited by PwC UK. PwC UK is a member of the Institute of Chartered Accountants of England and Wales. The address of PwC UK in London is 7 More London Riverside, London, SE1 2RT.

(6) **Significant or Material Change**

There has been no significant change in the financial or trading position of BAC and its subsidiaries on a consolidated basis since 31 March 2022. There has been no significant change in the financial or trading position of MLBV or MLICo. since 31 December 2021.

There has been no material adverse change in the prospects of MLBV, MLICo. or BAC and its subsidiaries on a consolidated basis since 31 December 2021.

(7) **Litigation**

Save as disclosed in (i) the section entitled "Litigation and Regulatory Matters" on pages 137-138, being the Litigation and Regulatory Matters section in Note 12 to the Consolidated Financial Statements, of the BAC 2021 Annual Report and (ii) the section entitled "Litigation and Regulatory Matters" on page 78, being the Litigation and Regulatory Matters section in Note 10 to the Consolidated Financial Statements, of the BAC 31 March 2022 Quarterly Report, none of MLBV, MLICo. and BAC and any subsidiary of BAC is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which MLBV, MLICo. or BAC are aware) in the 12 months preceding the date of this Offering Circular which may have or have in such period had a significant effect on the financial position or profitability of MLBV, MLICo. or BAC and its subsidiaries on a consolidated basis.

(8) **Conditions for determining price**

The price and amount of Instruments to be issued under the Programme will be determined by the relevant Issuer and any Dealer at the time of issue in accordance with prevailing market conditions.

(9) **Post-issuance Information**

None of the Issuers and the Guarantor will provide any post-issuance information, unless required by any applicable laws and regulations.

(10) **Legal Entity Identifier**

BAC

The Legal Entity Identifier of BAC is 9DJT3UXIJIZJI4WXO774.

BofA Finance

The Legal Entity Identifier of BofA Finance is 549300CGZYSEY3ZSIW16.

MLBV

The Legal Entity Identifier of MLBV is 549300RQ1D1WIE085245.

MLICo.

The Legal Entity Identifier of MLICo. is AHYI0DDQ2LCHPGHJC422.

(11) **Responsibility Statement for Swiss Non-Exempt Public Offers**

Solely in relation to Instruments which are subject of a Swiss Non-Exempt Public Offer, each of the Responsible Persons confirms that the information contained in this Offering Circular is, to the best of its knowledge, correct, and that no material facts or circumstances have been omitted from this Offering Circular.

For the purposes of the paragraph above, "**Responsible Persons**" means: (i) in relation to Notes issued by BAC, BAC, (ii) in relation to Notes issued by BofA Finance, BofA Finance as Issuer and BAC as Guarantor, (iii) in relation to Secured Instruments issued by MLBV, MLBV, (iv) in relation to Secured Instruments issued by MLICo., MLICo., (v) in relation to Notes and W&C

Instruments issued by MLBV (other than Secured Instruments), MLBV as Issuer and BAC as Guarantor, and (vi) in relation to W&C Instruments issued by MLICo. (other than Secured Instruments), MLICo. as Issuer and BAC as Guarantor.

INDEX OF DEFINED TERMS

Page

$ 10

€ 10

€STR 123

10-year Limitation Date 528, 597

1940 Act 3, 147, 156, 157, 311, 312, 653, 658, 821

1940 ACT 823, 829, 832

2.5-year Limitation Date 528, 597

20 per cent. Self-Declared Tax 869

20 per cent. Withholding Tax 869

2009 Annexes 15

2009 Base Prospectus 15

2009 Form of Guarantee 15

2009 Note Conditions 15

2009 Note Final Terms 15

2010 Annexes 15

2010 Base Prospectus 15

2010 Form of Guarantee 15

2010 Note Conditions 15

2010 Note Final Terms 15

2011 Annexes 16

2011 Base Prospectus 16

2011 Form of Guarantee 16

2011 Note Conditions 16

2011 Note Final Terms 15

2012 Annexes 16

2012 Base Prospectus 16

2012 Form of Guarantee 16

2012 Note Conditions 16

2012 Note Final Terms 16

2015 Merger 845

2019 NTCE Supplement 512, 582

2022 BAC Proxy Statement 15

23 December 2005 Law 869

30/360 ..... 216, 389, 401

30/360 (Floating) 389, 401

30/360 (ICMA) 216

30E/360 ..... 216, 389, 402

30E/360 (ISDA) 217, 390, 402

360/360 ..... 216, 389, 401

A 434, 510, 514, 579, 580, 583

A$ 10

Accelerated or Matured 518, 587

Acceleration Event 679, 695, 717, 732

Acceleration Instruction 106, 141, 679, 695, 717, 732

Acceleration Notice 679, 717

Accrual of Additional Amounts upon Credit Event 388

Accrual of Interest upon Credit Event 224

Accrual Period 215, 280

Act 376

Actual Exercise Date 359, 380, 439, 663

Actual/360 ..... 216, 390, 403

Actual/365 (Fixed) 215, 390, 403

Actual/365 (Sterling) 216

Actual/Actual 215

Actual/Actual (ICMA) 215, 280

Actual/Actual (ISDA) 215, 390, 403

Additional Amount 390, 403, 438, 439, 504, 673

Additional Amount Payment Date 438, 439, 504, 673

Additional Amount Payment Record Date 401

Additional Amount Period 391, 403

Additional Amount Proportion 438, 504

Additional Disruption Event 419, 435, 451, 452, 456, 473, 482, 502, 577, 646, 677, 749

Additional Disruption Events 482
Additional Fund Disruption Event 485
Additional LPN 569, 639
Additional Note Conditions 757
Additional Obligation 569, 640
Additional Tax Amounts 239, 299
Additional Terms and Conditions 207, 355
Additional Warrants 440
Adjusted 218
Adjusted MTM Collateral Enforcement Proceeds Share 699
Adjusted Scheduled Reference Date 469
Adjustment Date 376
Adjustment Factor 339, 673
Administrator/Benchmark Event 405, 465, 474
Administrator/Benchmark Event Date 405, 465, 474
ADR 1, 30, 356
Adviser Resignation Event 487
AEOI 876
Affected Commodity 478
Affected Commodity Index 478
Affected Currency Price 468
Affected Fund Interest 489
Affected Fund Share 494, 496, 497
Affected Index 411, 415
Affected Payment Date 227, 365
Affected Relevant Assets 362, 651
Affected Scheduled Trading Day 280
Affected Share 425, 428, 433
Affected Share(s) 434
Affiliate 226, 274, 297, 359, 680, 718
AFM 911
AFS 888

Agency Agreements 206
Agent 207, 268
Agents 207, 268
Aggregate Loss Amount 509
Aggregate Notional Amount 359, 578
Aggregate Outstanding Amount 628
Alternative Options Exchange 274
American Style Warrants 378
AMF 894
Amortised Face Amount 234
Announcement Event 431
AOO 39
applicable Agency Agreement 206
Applicable Delivery Month 753
applicable Final Terms 207, 268, 354
Applicable Hedge Positions 440, 673
Applicable Index 753
Applicable Jurisdiction 236, 297, 367
Applicable RFR 116, 767
Applicable RFR Screen Page 767
Articles of Association 145
ASDCM 873
Asset 509, 578
Asset Market Value 509, 578
Asset Package 509, 578
Asset Package Credit Event 509, 578
Asset Transfer Notice 647
Assignable Loan 517, 586
Associated Costs 234, 298
ASX 803
ASX Benchmarks 803
Attachment Point 510

Auction 510, 579
Auction Cancellation Date 510, 579
Auction Covered Transaction 510, 579
Auction Final Price 510, 579
Auction Final Price Determination Date 510, 579
Auction Settlement 521
Auction Settlement Amount 510, 579
Auction Settlement Date 510, 580
Automatic Early Redemption Amount 274
Automatic Early Redemption Date 274
Automatic Exercise 378
Average Blended Highest 557, 627
Average Blended Market 557, 626
Average Highest 557, 626
Average Market 557, 626
Averaging 356
Averaging Cut-Off Date 290, 405, 421, 465, 490
Averaging Date 274, 284, 406, 421, 465, 484, 490
AY 234
B 434, 510, 514, 579, 580, 583
BAC 1, 25, 38, 206, 268, 354, 808, 812, 837, 845, 850
BAC 2021 Annual Report 15
BAC 2022 Proxy 15
BAC 27 April 2022 Form 8-K 15
BAC 31 March 2022 Quarterly Report 15
BAC 4 February 2022 Form 8-K 15
BAC Forms 8-K 15
BAC Notes 882
BAC/BofA Finance Paying Agents 206
BANA 4
Bank Rate 768
Banking Day 767

Bankruptcy 510, 580

Barrier Event (closing) 418, 429, 498

Barrier Event (intraday) 418, 429, 498

Barrier Event Determination Day 407, 423, 492

Barrier Event Valuation Time (closing) 407, 423, 492

Barrier Event Valuation Time (intraday) 408, 423, 492

Barrier Level 408, 423, 492

Base Currency 228, 366, 466

Base Level 506

Basket of Commodities 474

Basket of Commodity Indices 474

Basket of Eligible Debt Securities 133, 680

Basket of Funds 484, 492

Basket of Indices 172, 321, 408

Basket of Shares 174, 324, 339, 423, 673

BBSW 758, 759

BBSW Conforming Changes 759

BBSW Notes 113

BBSW Observation Day 758

BBSW Website 803

BD 767

Benchmark Replacement Date 775

Benchmark Transition Event 775

benchmark transition provisions 220

Benchmarks Regulations 112

Beneficial Owner 815

Bid 543, 613

Blended Highest 557, 626

Blended Market 557, 626

Bloomberg Code 172, 174, 178, 321, 324, 329, 339

Bloomberg Generic Price 276

BOE 806

BofA Finance 1, 25, 38, 206, 843
BofA Finance Guarantee 2, 207
BofA Finance Notes 882
BofA Finance Offering Circular 6
BofAIBV 845
BofASE 7, 157, 312
Bond 534, 604
Bond Basis 216, 389, 401
Bond or Loan 534, 604
Book-Entry Clearing Systems 815
Borrowed Money 534, 603
Brussels Business Day 654, 659
business day 283
Business Day 220, 249, 274, 305, 359, 673
Business Day Convention 440
C 434, 510, 514, 580, 583
Calculation Agent 274, 354
Calculation Agent Determination 466, 474
Calculation Day 758
Cancellation Date 388, 400
Cancellation for Tax Compliance Reasons 369
Cancellation Notice 511, 580
Capital Ratio 574, 642
Cash 680, 718
Cash Amount 274, 284
Cash Amount Averaging Dates 284
Cash Dividend 673
Cash Settled 27
Cash Settled Instruments 43, 423, 674
Cash Settled W&C Instruments 356
Cash Settlement Amount 359, 676
CD 124

CDI Holders 34
CDIs 34
CEA 3, 819, 832, 834, 882
Certificate 354
Certificate Balance 568, 638
Certificates 1, 354
Certification Requirement 859
CFTC 3, 83, 819, 882
Change in Law 274, 419, 435, 450, 473, 482, 485, 502, 577, 646, 749
Charged Documents 680, 718
China Connect Business Day 454
China Connect Disruption 455
China Connect Early Closure 455
China Connect Rules 78
China Connect Service 454
China Connect Service Termination 457
China Connect Share Disqualification 457
China Connect Share LEPW Conditions 452, 454
ChiNext Share Connect Selling Restrictions 457
ChiNext Share LEPW 78
ChiNext Shares 78, 891
CISA 1, 888
Clearing System 34, 652, 654, 659
Clearing Systems 34, 359
Clearstream, Luxembourg 34, 156, 157, 207, 269, 311, 312, 359
CLN Maturity Date 511, 572
Closing Price 275
CNV 889
CNY 10, 228, 366
CNY Clearing Banks 53
CNY Inconvertibility Event 229, 366
CNY Non-Availability Event 229, 366

CNY Non-Transferability Event 229, 366

CNY Payment Disruption Event 53, 228, 366

CNY Settlement Centre 229, 366

CoCo Provision 573, 642

CoCo Supplement 574, 642

Code 820, 859, 901

CODE 830, 833

Collateral Account 132, 680, 691, 718, 729

Collateral Agent 132, 680, 718

Collateral Agent Notice 680, 718

Collateral Arrangement Party 143, 680, 718

Collateral Asset Default 710

Collateral Assets 29, 132, 680, 718

Collateral Assets Table 718

Collateral Business Day 680, 718

Collateral Delivery Date 705, 741

Collateral Delivery Date (CDE) 710

Collateral Disruption Event 711, 718

Collateral Disruption Event Costs 711

Collateral Disruption Event Costs Shortfall 711

Collateral Disruption Event Determination Date 711

Collateral Enforcement Loss Amount 741

Collateral Enforcement Notice 680, 719

Collateral Enforcement Proceeds 699, 719

Collateral Enforcement Proceeds Share 699, 719

Collateral Pool 133, 681, 719

Collateral Settlement Disruption 712, 719

Collateral Test 103, 135, 681, 720

Collateral Test Date 134, 681, 720

Collateral Test Notice 681, 720

Collateral Transaction Documents 681, 720

Collateral Trigger Event 713

Collateral Trigger Level 713
Collateral Trigger Observation Day 713
Collateral Trigger Observation Period 714
Collateral Valuation Currency 135, 681, 720
Collateral Valuation Time 681, 720
Collateral Value 681, 720
Collateralisation Percentage 719
Collection Notice 395, 397
Commodities 475
Commodity 475
Commodity Business Day 475
Commodity Cut-Off Date 475
Commodity Index 475
Commodity Index Adjustment Events 481
Commodity Index Cut-Off Date 475
Commodity Indices 475
Commodity Linked Conditions 474
Commodity Linked Instruments 1
Commodity Linked Interest Notes 209
Commodity Linked Notes 208
Commodity Linked Redemption Notes 209
Commodity Linked W&C Instruments 356
Commodity Reference Price 475
Commodity Trading Disruption 475
Common Depositary 34, 207, 269, 355
Common Safekeeper 34
Common Scheduled Trading Day 408, 423, 493, 674
Common Scheduled Trading Days 405
Common Valid Date 407, 423, 492
Company 275
Component Security 408
Compounded Daily SOFR 767

Compounded Daily SONIA 767
Compounded Daily TONA 767
Compounded Index 775
Compounded IndexEnd 775
Compounded IndexStart 775
Conditionally Transferable Obligation 512, 581
Conditions 43, 160, 207, 255, 315, 354
Consent Required Loan 517, 587
CONSOB Regulation No. 11971 896
Consolidated Banking Act 897
Constant Maturity Swap Benchmark 783
Constant Maturity Swap Rate 765
Constant Maturity Swap Rate Observation Day 765
Constant Maturity Swap Replacement 783
Constant Maturity Swap Replacement Adjustment 783
Constant Maturity Swap Replacement Conforming Changes 783
Constant Maturity Swap Replacement Date 784
Constant Maturity Swap Replacement Time 784
Constant Maturity Swap Transition Event 784
control 226, 297, 359, 718
Control Event Notice 681
Corrected Index Level 419
Corrected Share Price 429
Cost 440
Costs 674
Coupon 165
covered BHCs 837
Covered Plans 856
Credit Cut-Off Date 581
Credit Derivatives Auction Settlement Terms 512, 582
Credit Derivatives Definitions 512, 582
Credit Derivatives Determinations Committees 513, 582

Credit Event 513, 582
Credit Event Backstop Date 513, 582
Credit Event Notice 513, 582
Credit Event Redemption Amount 514, 583
Credit Event Redemption Date 514, 583
Credit Event Resolution Request Date 514, 583
Credit Events 91
Credit Linked Instruments 1
Credit Linked Note Conditions 509
Credit Linked Notes 209
Credit Linked W&C Conditions 578
Credit Linked W&C Instruments 356
Credit Observation Start Date 514, 583
Credit Settlement Date 514, 583
Credit Spread Requirement 614
CREST 34
CREST Deed Poll 34
CREST Depository 69
CREST International Settlement Links Service 70
CREST Manual 69
CREST Nominee 69
CREST Rules 69
CSDCC 455
CSRC 78
CSSF 898
Currency Amount 514, 584
Currency of the Shares 674
Currency Price 466
Currency Rate 514, 584
Currency Rate Source 515, 584
Currency Substitution Event 236, 298, 368
Currency-Reference Dealers 466

Custodian 132, 681, 720, 817
Custodian Account 681
Custodian Agreement 682, 721
Cut-Off Date 386, 395, 397, 505, 669
CWUMPO 895
d 771, 772, 773, 775
D 771, 772, 773, 775
D1 ..... 216, 217, 281, 389, 390, 402, 403
D2 ..... 216, 217, 281, 389, 390, 402, 403
Daily Cash Amount 275, 284
Daily Settlement Price 753
Day Count Fraction 215, 280
DC Announcement 560, 630
DC Announcement Coverage Cut-off Date 515, 584
DC Credit Event Announcement 515, 584
DC Credit Event Meeting Announcement 515, 584
DC Credit Event Question 515, 584
DC Credit Event Question Dismissal 515, 585
DC No Credit Event Announcement 515, 584
DC Resolution 515, 585
DC Rules 515, 585
DC Secretary 515, 585
DCA 275, 284
Dealer 2
Dealers 2
Deed of Charge 132, 682, 721
Default Requirement 515, 585
default right 251, 307, 697, 734
Deferred Coupon Adjustment Amount 515
Definitive Registered Certificates 151, 359
Definitive Registered Instruments 151
Definitive Registered Note 206, 268

Definitive Registered Notes.....147, 653
Definitive Registered W&C Instruments.....658
Definitive Registered Warrants.....149, 360
Definitive W&C Instruments.....360
Delayed Index Level Event.....505
Delayed Publication or Announcement.....476
Delisting.....275, 292
De-listing.....431
De-Listing.....500
Deliver.....516, 585, 682, 721
Deliverable Obligation.....517, 586
Deliverable Obligation Category.....517, 586
Deliverable Obligation Characteristics.....517, 586
Deliverable Obligations.....517, 586
Delivered.....682, 721
Delivery.....682, 721
Delivery Date.....476, 519, 589
Departing Country.....236, 298, 368
Deposit Agreement.....460
Depositary Receipts.....80
Depository.....460
Derivative Hedge.....682
Derivative Hedge Termination Costs.....682
Derivative Hedge Valuation Date.....682
Derivative Hedge Valuation Time.....682
Derivatives Exchange.....753
Designated Constant Maturity Swap Provider.....766
Designated Constant Maturity Swap Rate Administrator.....766
Determination Date.....505
Determination Period.....217, 281
Determining Party.....759
Direct Loan Participation.....517, 587

Direct Participants 815

Disappearance of Commodity Reference Price 476

Disposal Agent 682, 721

Disqualified Transferee 657, 662, 835

DISQUALIFIED TRANSFEREE 824, 831, 834

Disrupted Day 275, 291, 408, 423, 455, 493

Disruption Cash Settlement Price 361, 652

Disruption Fallback 466, 479

Distribution Compliance Period 882

Dividend 275, 288

Dividend Amount 288

Dividend Distribution Date 674

Dividend Exchange Rate 674

Dividend Period 437, 440, 503

Dividend Taxes 275, 437, 440, 503

Dividend Taxes (PRC) 440

Dividend Taxes (PRC) Deduction 439

Dividend Threshold 288

d_o 771, 772, 773

Dodd-Frank Act 83

Domestic Currency 519, 589

Domestic Investor 891, 892

Domestic Law 520, 589

Downstream Affiliate 520, 589

DR Amendment 460

DTC 34, 147, 156, 207, 311, 355, 836

DTC Instruments 815

DTCC 806, 815

Due and Payable Amount 520, 589

Early Closure 275, 291, 408, 423

Early Redemption Amount 275, 747

Early Redemption Amount Calculation Date 275

Early Redemption Event 749
Early Redemption Valuation Date 747, 749
Early Redemption/Settlement Amount 721
Early Redemption/Settlement Amount (CTE) 714
Early Settlement Amount 370, 459
EC Treaty 213
ECB 147
EEA 4, 154, 253, 309
Election Notice 651
Eligibility Criteria 133, 134, 682, 721
Eligible ChiNext Investor 891
Eligible Collateral Assets 134, 722
Eligible Collateral Class 722
Eligible Debt Securities 683
Eligible Debt Security 133, 683
Eligible Debt Security Weighting 683
Eligible Information 520, 589
eligible LTD 27, 47, 236
Eligible MTM Collateral Assets 133, 683
Eligible MTM Collateral Class 683
Eligible STAR Market Investor 892
Eligible Static Collateral Assets 133, 683
Eligible Transferee 520, 589
ELIs 59, 859
EMIR 84
EMMI 123
End Date 505
English Law Agency Agreement 206, 268, 354, 808
English Law Programme Agreement 882
Entitlement 360, 521, 590, 652, 704, 740
Entitlement (CDE) 710
Entitlement (CTE) 714

Equivalent Amount 229, 366

Equivalent Amount Settlement Rate 229, 367

ERISA 820, 822, 825, 830, 833, 856

Established Rate 214, 274, 376

ETF 178, 493

ETF Party 90

ETFs 85

EU PRIIPs Regulation 4, 154, 253, 309, 885

EU Prospectus Regulation 1, 155, 254, 310, 905

EUR 10

EUR EURIBOR ICE Swap Rate® 761

EUR ICE Swap Rate 120

EUR ICE Swap Rate Notes 120

EUR Swap Rate Observation Day 761

Eurex 275

Eurex Corporate Actions Procedures 275

euro 10, 215, 274, 376

Euro 10

Eurobond Basis 216, 389, 402

Euroclear 34, 156, 157, 207, 269, 311, 312, 360

Euroclear/CBL Certificates 391

Euroclear/CBL Global Registered Certificate 391

Euroclear/CBL Global Registered Certificates 151

Euroclear/CBL Global Registered Note 147, 209

Euroclear/CBL Global Registered Warrant 149, 377

Euroclear/CBL Global W&C Instrument 360

Euroclear/CBL Global W&C Instruments 360

European Style Warrants 378

Eurosystem 147

EUWA 4, 155, 254, 310, 880, 886

Event Determination Date 521, 591

Event of Default 241, 242, 276

Excess Static Collateral Enforcement Proceeds Share 699
Exchange 172, 174, 178, 321, 324, 329, 409, 424, 441, 476, 493, 674
Exchange Act 10, 159, 314
Exchange Bonds or Loans 553, 623
Exchange Business Day 276, 409, 424, 455, 493
Exchange Condition 276, 283
Exchange Date 276, 285
Exchange Disruption 276, 291, 409, 424
Exchange Event 149, 653, 658
Exchange Note Conditions 268
Exchange Notice 276, 283
Exchange Notice Delivery Date 276, 283
Exchange Period 276, 283
Exchange Premium 276
Exchange Price 276
Exchange Rate 437, 441, 503
Exchange Rate 1 441
Exchange Rate 2 441
Exchange Rate 3 441
Exchange Redemption Date 276
Exchange Right 276, 283
Exchangeable Note Conditions 2
Exchangeable Note Market Price 276
Exchangeable Note Terms and Conditions 268
Exchangeable Notes 2, 254, 268
Excluded Deliverable Obligation 522, 592
Excluded Obligation 523, 592
Ex-Date 288
Ex-Dividend Date 437, 441, 503, 674
Execution Period 674
Exercise Business Day 377
Exercise Cut-Off Date 523, 592

Exercise Date 377
Exercise Notice 383
Exercise Notice Delivery Date 387, 669
Exercise Period 377
Exercise Period Start Date 441
Exercise Price 360
Exhaustion Point 523
Exhaustion Threshold Amount 523
Existing Swap Rates 125
EXP 442
Expenses 372, 647
Extension Date 523, 593
Extension Notice 523, 593
Extraordinary Event 749
Extraordinary Resolution 276
Extraordinary Security Agent Liabilities 683, 722
Failure to Deliver due to Illiquidity 362, 651
Failure to Deliver Notice 651
Failure to Deliver Settlement Price 362, 652
Failure to Open 291
Failure to Pay 524, 593
Fair Market Value 277
Fallback Bond 505
Fallback Maximum Period of Postponement 470
Fallback Reference Price 476
Fallback Reference Price(s) 466
Fallback Settlement Event 524, 594
Fallback Settlement Method 525, 594
FATCA 864
FATCA Provisions 232, 360
FCA 40
FDIC 4

Federal Reserve Board 27, 47, 236

FETL 904

FICC 806

FIEA 897

Final Delivery Date 399, 525, 594, 652

Final Execution Date 442, 674

Final Execution Period 442

Final Level 409, 754, 755

Final List 525, 594

Final Price 424, 493, 525, 594

Final Price Calculation Date 525, 594

Final Redemption Amount 277, 293, 748

Final Redemption Date 525

Final Redemption Valuation Date 748

Final Reference Price 674

Final Settlement Price 753

Final Terms 2, 207, 268, 354

Financial Collateral Regulations 100

Financial Reform Act 47

FINMA 1, 888

FinSA 1, 154, 155, 253, 254, 309, 310, 888

FinSO 3, 154, 253, 309, 888

First Entity 226, 297, 359, 680, 718

First Nearby Month 477

First Obligation 534, 604

First Ranking 570, 640

First Ranking Interest 570, 640

Fixed Cap 525, 594

Fixed Interest Period 218, 282

Fixed Rate Exchangeable Notes 269

FMCA 899

Following Business Day Convention 440

Fractional Cash Amount 705, 742
Fractional Cash Amount (CDE) 710
Fractional Cash Amount (CTE) 714
FRBNY 806
FSCMA 904
FSMA 4, 155, 254, 310, 886
FSS 124
Full Quotation 525, 594
Fully Transferable Obligation 525, 595
Fund 178, 484, 903
Fund Administrator 484
Fund Administrator Disruption 488
Fund Adviser 484
Fund Disruption Event 486
Fund Documents 484
Fund Event 485
Fund Extraordinary Event 486
Fund Hedging Disruption 486
Fund Insolvency Event 487
Fund Interest 484
Fund Linked Conditions 484
Fund Linked Instruments 1, 903
Fund Linked Interest Notes 209
Fund Linked Notes 208
Fund Linked Redemption Notes 209
Fund Linked W&C Instruments 356
Fund Modification 487
Fund Performance 493
Fund Potential Adjustment Event 489
Fund Redemption Valuation Date 484
Fund Service Provider 484
Fund Service Provider Cessation 488

Fund Settlement Disruption 486
Fund Share 493
Fund Share Closing Price 493
Fund Share Price 493
Fund Valuation Date 485
Fund Valuation Disruption 486
Further Subordinated Obligation 525, 595
Further Warrants 449
Futures Contract 476
FX Business Day 466
FX Disrupted Day 466
FX Linked Conditions 465
FX Linked Instruments 1
FX Linked Interest Notes 209
FX Linked Notes 208
FX Linked Redemption Notes 209
FX Linked W&C Instruments 356
FX Market Disruption Event 466
FX Price Source 442
FX Price Source Disruption 467
FX Price Source(s) 467
FX Rate 674
FX Trading Suspension or Limitation 467
FX Valuation Time 442
GBP SONIA ICE Swap Rate® 761
GBP Swap Rate Observation Day 762
GDR 1, 30, 356
GDR/ADR Linked Conditions 460
GDR/ADR Linked Instruments 1
GDR/ADR Linked Interest Notes 209
GDR/ADR Linked Notes 208
GDR/ADR Linked Redemption Notes 210

GDR/ADR Linked W&C Instruments....356
General Benchmark....777
General Benchmark Reference Time....781
General Benchmark Replacement....777
General Benchmark Replacement Adjustment....779
General Benchmark Replacement Changes....779
General Benchmark Replacement Date....779
General Benchmark Replacement Provision Notes....130
General Benchmark Transition Event....780
General Corresponding Tenor....777
General Interpolated Benchmark....781
General Partner....850
General Relevant Governmental Body....781
Global Certificate....151, 391
Global Certificates....151, 391
Global Instrument....34
Global Note....147, 206, 268, 654
Global Notes....147
Global W&C Instrument....360, 391, 659
Global Warrant....149, 377
Global Warrants....149, 377
Governmental Authority....229, 367, 525, 595
Governmental Intervention....526, 595
Grace Period....526, 596
Grace Period Business Day....527, 596
Grace Period Extension Date....527, 596
Gross Cash Dividend....437, 442, 503
Group....36, 44
G-SIB....47
G-SIBs....48
Guarantee....2, 207, 527, 596, 808, 812
Guaranteed Cash Settlement Amount....213, 358

Guaranteed Instruments 808
Guarantees 2, 207
Guarantor 2, 25, 156, 157, 207, 268, 311, 312, 354
Hedge Disruption Event 527, 596
Hedge Disruption Obligation 527, 596
Hedge Positions 675, 749
Hedge Termination Costs Shortfall 705
Hedge Transaction 277, 527, 596
Hedging Activities 277
Hedging Arrangements 237, 299, 369
Hedging Counterparty 277
Hedging Disruption 420, 435, 457, 473, 483, 502, 577, 646, 749
Hedging Entity 675, 749
Hedging Party 237, 299, 369
Hedging Shares 435
Highest 556, 557, 626
HKSCC 455
HMRC 877
Holder 209, 270, 357, 654, 660
holder of Fund Shares 493
holder of Notes 654
holder of W&C Instruments 660
Holders 207, 269, 355, 808, 812
Hong Kong 455, 895
Hypothetical Broker Dealer 437, 442, 503
Hypothetical Dealer 675, 749
Hypothetical Investor 485
i 771, 772, 773, 774
IBA 120, 761, 804
ICE Swap Rate 804
ICE Swap Rate Notes 120
ICE Swap Rate® Website 122, 804

ICE Swap Rates 120

Implicit Portfolio Size 527

impractical 229, 367

impracticality 229, 367

IN 442

Inconvertibility Event 467

Increased Cost of Hedging 420, 435, 473, 483, 486, 502, 577, 646, 749

Increased Cost of Stock Borrow 436

Incurred Loss Amount 527

Index 172, 321, 409

Index Adjustment Event 418

Index Cancellation 418

Index Closing Level 409

Index Currency 172, 321, 410

Index Disruption 418

Index Level 410

Index Linked Conditions 405, 439

Index Linked Instruments 1

Index Linked Interest Notes 210

Index Linked LEPWs 74

Index Linked Notes 208

Index Linked Redemption Notes 210

Index Linked W&C Instruments 356

Index Linked Warrant 377

Index Modification 418

Index Performance 410

Index Sponsor 172, 321, 410

Index-Linked Futures Contract 753

Index-Linked Futures Contract Adjustment Event 754

Index-Linked Futures Contract Conditions 753

Index-Related ETF 410

Indicative Quotation 561, 631

Indices 172, 321, 409
Indirect Participants 815
individual certificate 357
individual certificates 151
Individual Note Certificate 206, 268
Individual Note Certificates 147
individual warrant certificate 357
individual warrant certificates 149
Indonesian Capital Market Law 896
Inflation Index 505
Inflation Index Sponsor 506
Inflation Linked Conditions 505
Inflation Linked Instruments 1
Inflation Linked Interest Notes 210
Inflation Linked Notes 208
Inflation Linked Redemption Notes 210
Inflation Linked W&C Instruments 356
Initial Averaging Date 279
Initial Currency 236, 297, 368
Initial Level 172, 321, 410
Initial Price 174, 178, 324, 329, 424, 493
Initial Purchaser 158, 314
Initial Stock Loan Rate 436
Insider 906
Insolvency 431, 486, 500, 750
Insolvency Act 99
Insolvency Filing 436, 750
Insolvency Proceeding 49, 696, 734
Institutional Clients 889
Institutional Professional Investors 78
Instrument Agent 683, 722
Instrument Agents 683, 722

Instrument Payments 568, 638

Instruments 1, 865, 868

Insurance Distribution Directive 4, 154, 253, 309

Insured Instrument 568, 638

Insured Obligor 568, 638

Interbank Market 467

Interest 570, 640

Interest Amount 222

Interest Calculation Amount 527

Interest Determination Date 528, 758

Interest Payment Date(s) 218

Interest Payments Dates 277

Interest Period 219, 277

Interest Period Demarcation Date 771

Intervening Period 650

In-The-Money 377

Inventory Securities 827

Investor Representation Letter 653, 658, 821

Investor's Currency 68

IRS 859

ISDA 119, 528, 596

ISDA Fallback Adjustment 787

ISDA Fallback Rate 787

ISIN Code 178

ISIN of Share 174, 324, 339

Issue Date 277

Issuer 1, 132, 206, 268, 354, 808, 812

Issuers 1, 808

Italian Financial Services Act 896

ITTOIA 879

January 2013 Annexes 16

January 2013 Form of Non-COSI Guarantee 16

January 2013 Note Conditions 16

January 2013 Note Final Terms 16

January 2013 Offering Circular 16

January 2017 Annexes 17

January 2017 Form of Non-COSI Guarantee 17

January 2017 Note Conditions 17

January 2017 Note Final Terms 17

January 2017 Offering Circular 17

Joint Potential Successor 553, 623

Joint Relevant Obligation 553, 623

JPY LIBOR TSR 121

JPY Swap Rate Observation Day 763

JSCC 122, 805

Jurisdiction Event 677

KOFR 124

KRW CMS Rate 120, 764

KRW CMS Rate Notes 120

KRW CMS Rate Observation Day 764

Largest Asset Package 528, 597

Last Deferred Day 469

Last Fallback Postponement Date 470

Last Postponed Day 471

Latest Level 506

Latest Maturity Restructured Bond or Loan 528, 597

Legacy Reference Entity 572, 642

Legal Person Registered in the PRC 891, 892

LEPW 79

LEPW Conditions 439

LEPW Non-compliance Event 74, 79, 451, 452, 457

Level 1 805

Level 2 805

Liabilities 684, 722

Liability 683, 722
LIBOR Swap Rates 121
Limitation Date 528, 597
Limited Partner 850
Linear Basket CLNs 528
Listed 535, 605
Listing Date 442
Loan 534, 604
Local Costs 442
Local Costs (Share Closing Price) 442
Local Currency 442
Local Dividend Tax 450
Local Jurisdiction 174, 324, 675
Local Tax Adjustment 430
Local Taxes 431
London Banking Day 767
London Business Day 223
Long Credit Linked Certificate 578
Long Credit Linked W&C Instrument 578
Long Credit Linked Warrant 578
Long Exercise Date 597
Loss Amount 528
Loss of Stock Borrow 436
Loss Threshold Amount 528
LPN 569, 639
LPN Issuer 569, 639
LPN Reference Obligation 570, 640
Luxembourg Business Day 654, 659
M(M)R Restructuring 529, 598
M1 ..... 216, 217, 281, 389, 390, 402
M2 ..... 216, 217, 281, 389, 390, 402
Mandatory Early Exercise Cash Settlement Amount 360

Mandatory Early Exercise Cash Settlement Date 360
Mandatory Early Exercise Date 360
Mandatory Early Exercise Event 360
Mandatory Early Redemption Amount 748
Mandatory Early Redemption Date 748
Mandatory Early Redemption Valuation Date 748
Margin 220
Margin Percentage 684, 722
Margin Value 684, 722
Marked-to-Market Derivative Hedge Intra-day Value 714
Marked-to-Market Derivative Hedge Value 684
Market 556, 626
Market Disruption Event 278, 291, 417, 429, 455, 478, 498
Market Value 528, 562, 597, 631, 684, 722
Markit Published LPN Reference Obligation 569, 639
MAS 154, 253, 309, 310, 902
Material Change in Content 476
Material Change in Formula 476
Material Underlying Event 500
Maturity Averaging Date 278, 293
Maturity Daily Cash Amount 278, 293
Maturity Date 278, 748
Maturity Delivery Date 649
Max 442, 675
Maximum Days of Cumulative Postponement 471
Maximum Days of Deferral 469
Maximum Days of EM Valuation Postponement 470
Maximum Days of Postponement 467
Maximum Interest Rate 221
Maximum Maturity 518, 587
Maximum Stock Loan Rate 436
May 2016 Annexes 17

May 2016 Form of Non-COSI Guarantee 17
May 2016 Note Conditions 17
May 2016 Note Final Terms 17
May 2016 Offering Circular 17
May 2017 Annexes 17
May 2017 Form of Guarantee 17
May 2017 Note Conditions 17
May 2017 Note Final Terms 17
May 2017 Offering Circular 17
May 2018 Annexes 17
May 2018 Form of Guarantee 17
May 2018 Note Conditions 17
May 2018 Note Final Terms 17
May 2018 Offering Circular 17
May 2018 W&C Final Terms 17
May 2018 W&C Instruments Conditions 17
May 2019 Annexes 18
May 2019 Form of BofA Finance Guarantee 18
May 2019 Form of MLBV/MLICo. Guarantee 18
May 2019 Note Conditions 18
May 2019 Note Final Terms 18
May 2019 Offering Circular 18
May 2019 W&C Final Terms 18
May 2019 W&C Instrument Conditions 18
May 2020 Annexes 18
May 2020 Form of BofA Finance Guarantee 18
May 2020 Form of MLBV/MLICo. Guarantee 18
May 2020 Note Conditions 18
May 2020 Note Final Terms 18
May 2020 Offering Circular 18
May 2020 W&C Final Terms 18
May 2020 W&C Instrument Conditions 18

May 2021 Annexes 18
May 2021 Form of BofA Finance Guarantee 18
May 2021 Form of MLBV/MLICo. Guarantee 18
May 2021 Note Conditions 18
May 2021 Note Final Terms 18
May 2021 Offering Circular 18
May 2021 W&C Final Terms 19
May 2021 W&C Instrument Conditions 19
MCAA 876
MD&A 840
MDCA 293
Member State 9, 155, 254, 310, 885
Merger 845
Merger Date 432, 500, 750
Merger Event 432, 500, 529, 598, 750
Mergor 529, 598
Mexico 899
Mid price 278
Mid-market 543, 613
MiFID II 2, 154, 253, 309
MiFIR 84
Minimum Bid Size 715
Minimum Interest Rate 221
Minimum Quotation Amount 529, 598
MLBV 1, 25, 206, 268, 354, 808, 845
MLBV 2020 Accounts 15
MLBV 2021 Accounts 15
MLBV Guaranteed Instruments 808
MLBV Notes 883
MLBV Notes Deed of Covenant 207, 269
MLBV Offering Circular 7
MLBV Paying Agents 206

MLBV/MLICo. Guarantee 2, 207, 268, 355
MLCMAG 16
MLI 7, 40, 157, 312
MLICo 39
MLICo. 1, 25, 354, 808, 850
MLICo. 2020 Accounts 15
MLICo. 2021 Accounts 15
MLICo. Guaranteed Instruments 808
MLICo. Offering Circular 7
MLSA 15, 845
MMI 816
Modified Eligible Transferee 529, 598
Modified Following Business Day Convention 440
Modified Postponement 290, 406, 422, 491
Modified Restructuring Maturity Limitation Date 529, 598
Movement Option 529, 598
Movement Option Cut-off Date 530, 598
MTM Collateral Assets 685
MTM Collateral Assets Table 685
MTM Collateral Enforcement Proceeds 700
MTM Collateral Enforcement Proceeds Share 700
MTM Collateral Specified Percentage 685
MTM Collateral Test 103, 134, 685
MTM Trigger Event 745
MTM Trigger Level 745
MTM Trigger Observation Day 745
MTM Trigger Observation Period 745
Multi-Exchange Index 410
Multiple Holder Obligation 564, 635
Multiplier 442
n 165
N 165, 530, 599

National Currency Unit 376

Nationalisation 278, 292, 432, 486, 501, 751

NAV Trigger Event 487

NDF Rate 441

Nearby Month 477

near-dated commodity contracts 83

Nearest 440

Netherlands Non-resident 240, 300

New York Business Day 654, 659

New York Fed 121

New York Law Agency Agreement 206, 812

NewCo 837

Next Currency Fixing Time 530, 599

n_i 771, 772, 773, 774

No Adjustment 440

No Auction Announcement Date 530, 599

Non-Conforming Reference Obligation 530, 599

Non-Conforming Substitute Reference Obligation 530, 599

Non-Contingent Amount 537, 607

Non-Financial Instrument 530, 599

Non-PRC Fund 906

Non-Realised Collateral Assets 704, 740

Non-Resident holder of W&C Instruments 871

Non-Standard Event Determination Date 530, 599

Non-Standard Exercise Cut-off Date 531, 600

Non-Standard Reference Obligation 532, 601

Non-Transferability Event 467

Non-Transferable Instrument 532, 601

Non-Waived Instruments 137, 685, 723

NOPS Amendment Notice 532, 559, 601, 628

NOPS Cut-off Date 532, 601

NOPS Effective Date 533, 602

Not Bearer 518, 587

Not Domestic Currency 535, 605

Not Domestic Issuance 535, 605

Not Domestic Law 535, 605

Not Sovereign Lender 535, 605

Not Subordinated 534, 571, 604, 641

Note Conditions 2, 405, 421, 460, 465, 474, 484, 505, 509, 747

Noteholders 207, 269

Notes 1, 206

Notes Conditions 653, 679, 717

Notice 860

Notice Delivery Date 533, 602

Notice Delivery Period 533, 602

Notice of Exclusive Control 685, 723

Notice of Physical Settlement 533, 558, 602, 628

Notice of Publicly Available Information 533, 602

Notice of Purchase of Additional Warrants 448

Notice Period 751

Notice to Exercise Movement Option 533, 602

Notifying Party 603

Notional Amount 360, 603, 685, 723

Notional Credit Derivative Transaction 533, 603

November 2013 Annexes 16

November 2013 Form of Non-COSI Guarantee 16

November 2013 Note Conditions 16

November 2013 Note Final Terms 16

November 2013 Offering Circular 16

November 2014 Annexes 16

November 2014 Form of Non-COSI Guarantee 16

November 2014 Note Conditions 16

November 2014 Note Final Terms 16

November 2014 Offering Circular 16

November 2015 Annexes 17
November 2015 Form of Non-COSI Guarantee 17
November 2015 Note Conditions 17
November 2015 Note Final Terms 16
November 2015 Offering Circular 17
NSS 34, 265
Nth 530, 599
Nth-to-Default CLNs 530
Nth-to-Default Instruments 599
Number of Fund Shares per W&C Instrument 504
Number of Settlement Business Days 443
Number of Shares per W&C Instrument 438
Number of Shares per Warrant 443
NV Collateralisation Enforcement Proceeds Cap 738
Obligation 533, 603
Obligation Acceleration 536, 606
Obligation Category 534, 603
Obligation Characteristics 534, 604
Obligation Currency 536, 606
Obligation Default 536, 606
Obligations 603
Observation Cut-Off Date 410, 424, 493
Observation Date 410, 424, 493
Observation Period 412, 425, 495, 772, 775
Observation Period End Date 413, 426, 495
Observation Period Start Date 413, 426, 495
Offer 543, 613
Offering Circular 1, 160, 255, 315
Offshore Investor 431
OIS 122
OLA 48
Omission 290, 406, 421, 491

Option Termination Costs 685
Option Valuation Date 686
Option Valuation Time 686
Optional Redemption Amount 751
Optional Redemption Date 751
Optional Redemption Notice 278, 293
Optional Redemption Valuation Date 751
Options Exchange 433, 501
Order of Priority 686, 723
Ordinary Cash Dividend 288
Ordinary Dividend 289
Original [Base Prospectus/Offering Circular] 160, 315
Original Currency 376, 471
Original Guarantee 808, 812
Original Non-Standard Reference Obligation 536, 606
Original Note Conditions 757
Original Obligation(s) 537, 607
Original Offering Circular 255
Original Scheduled Expiration Date 443
Original Underlying Shares 279
Other Plans 856
Other Published Sources 467
outperformance payment 864
Outstanding Amount 628
Outstanding Principal Amount 537
Outstanding Principal Balance 537, 606
p 772, 773, 776
Package Observable Bond 538, 608
Panamanian Securities Act 900
Parallel Auction 538, 608
Parallel Auction Cancellation Date 538, 608
Parallel Auction Settlement Terms 538, 608

Parallel Notice of Physical Settlement Date 538, 608
Partial Cancellation Amount 633, 634
Partial Cash Settlement Amount 562, 632
Partial Cash Settlement Date 562, 632
Partial Cash Settlement Notice 561, 631
Partial Distributions 227, 364
Partial Notional Amount 635
Partial Principal Amount 565
Partial Redemption Amount 564
Participating Member State 213
Paying Agents 206
Payment 534, 603
Payment Day 225, 297, 363
Payment Disruption Event 52, 229, 367
Payment Event Cut-Off Date 52, 230, 367
Payment Requirement 538, 608
PBoC 53
Permissible Deliverable Obligations 538, 608
Permitted Contingency 538, 608
Permitted Transfer 539, 609
person 278
Person 900
PFIC 863
Physical Delivery 27
Physical Delivery Clearing System 385, 686, 724
Physical Delivery Instrument 823
Physical Delivery Instruments 43
Physical Delivery Note Conditions 647, 679
Physical Delivery Notes 26, 426
Physical Delivery of Collateral Assets Disruption Event 686, 724
Physical Delivery W&C Instruments 356
Physical Delivery Warrant 377

Physical Settlement Matrix 539, 609
Physical Settlement Period 539, 609
Physical Settlement Value 65
Place of Acceptance 905
PLAN 821, 822
plan assets 856
Pool Aggregate Collateral Nominal Amount 686
Post Dismissal Additional Period 539, 609
Postponed Date 226, 364
Postponed Payment Date 561, 630
Postponement 290, 406, 421, 468, 477, 491
Postponement Notice 561, 630
Potential Adjustment Event 429, 462, 499
Potential Failure to Pay 539, 609
Potential Repudiation/Moratorium 540, 609
PRA 40
PRC 53, 443, 890, 906
PRC Citizen 891, 892, 893
PRC Person 906
PRC Taxes 443
PRC Taxes (Share Closing Price) 443
Pre-2017 Senior Debt Securities 60
Preceding Business Day Convention 440
Preference Share Adjustment Event 751
Preference Share Automatic Early Redemption Event 748
Preference Share Issuer 111, 145, 747
Preference Share Linked Conditions 747
Preference Share Linked Notes 1, 210, 747
Preference Share Underlying 111
Preference Share Underlyings 111
Preference Share Value 747
Preference Share Value (Early) 747

Preference Share Value (Final) 748
Preference Share Value (Initial) 747
Preference Share Value (Mandatory) 748
Preference Share Value (Optional) 751
Preference Shares 111, 145, 747
Preference Shares Programme 145
Prevailing Rate 278
Price Materiality Event 468
Price Materiality Percentage 468
Price Source 477
Price Source Disruption 477
Pricing Date 477
PRIIPs Regulation 902
PRIIPs Rules 902
Principal Certificate Agent 354
Principal Instrument Agent 354
Principal Memorandum 145
Principal Paying Agent 206, 268, 354
Principal Warrant Agent 354
Prior Deliverable Obligation 540, 609
Prior Reference Obligation 540, 610
Private Clients 888
Private Placement Memorandum 146
Private-side Loan 540, 610
Proceedings 250, 306, 375
Professional Clients 889
Programme 1
Prohibited Action 540, 610
Proprietary Index 413
PTCEs 856
Public Source 540, 610
Publication Time 759, 760

Publicly Available Information 540, 610

Put Notice 233, 395

PwC 911

PwC N.V. 912

PwC UK 912

QFC Stay Rules 48

QFCs 48

QIB 3, 156, 157, 196, 311, 312, 347, 648, 830, 832

QIB/QP 825

QIBs 147, 658, 821, 883

QII Solicitation 897

QIIs 897

QP 3, 147, 156, 157, 196, 311, 312, 347, 648, 653, 658, 821, 830, 832

QPs 883

Qualifying Affiliate Guarantee 541, 611

Qualifying Guarantee 541, 611

Qualifying Participation Seller 542, 612

Qualifying Policy 568, 638

Quantum of the Claim 538, 608

Quick 114, 804

Quota 387

Quotation 542, 562, 612, 632

Quotation Amount 543, 563, 612, 633

Quotation Dealer 543, 612

Quotation Method 543, 563, 613, 633

Range 165

Rate 443

Rate Cut-Off Date 771, 773, 774

Rate Reference Items 377

Ratio 443

RBSL 120, 763, 805

RD 1310/2005 905

Realisation Costs 712
Rebased Index 508
Record Date 212, 271, 278, 443
Redeemed Notes 232
Redemption for Tax Compliance Reasons 231, 294
Redenomination Date 215, 274
Redenomination Notice 273
Reference Amount 289
Reference Dealers 468
Reference Entities 543, 613
Reference Entity 543, 613
Reference Entity Notional Amount 543
Reference Entity Weighting 543
Reference Item 2, 26, 28
Reference Item Linked Instruments 28
Reference Item Linked Notes 26
Reference Item Linked W&C Instruments 28
Reference Level 506
Reference Month 506
Reference Obligation 544, 563, 569, 613, 633, 639
Reference Obligation Notification 570, 640
Reference Obligation Only 534, 604
Reference Obligation Only Exercise Date 613
Reference Obligation Only Exercise Notice 627
Reference Obligation Only Redemption Date 544
Reference Obligation Only Redemption Notice 558
Reference Obligation Only Trade 544, 613
Reference Portfolio 543
Reference Rate 165, 220
Reference Rate Notes 112
Refinitiv 123
Register 210, 278, 360

Registered Notes 208, 269

Registered W&C Instruments 356

Registrar 206, 268, 354

Regulation S 360, 819

Regulation S/Rule 144A Global Certificate 150, 659

Regulation S/Rule 144A Global Instruments 151

Regulation S/Rule 144A Global Note 147, 157, 653

Regulation S/Rule 144A Global W&C Instrument 312, 658

Regulation S/Rule 144A Global W&C Instruments 150

Regulation S/Rule 144A Global Warrant 149, 659

Regulatory Action 488

Regulatory Order 452, 453, 458

Related Agreement Termination 488

Related Bond 506

Related Exchange 172, 174, 178, 278, 291, 321, 324, 329, 413, 426, 443, 495, 675

Related Hedging Arrangements 444

Relevant Adjustment Date 289

Relevant Amount 229, 366

Relevant Announcement Date 278

Relevant Assets 360

Relevant Calculation 419, 429

Relevant Cash Dividend 437, 444, 504

Relevant City Business Days 544, 614

Relevant Clearing System Business Day 212, 271

relevant Conditions 43

Relevant Currency 278

Relevant Date 240, 278, 395

Relevant Dividend 287

Relevant Event Cut-off Date 432, 751

Relevant Exchange Ratio 278, 285

Relevant Governmental Authority 237, 299, 369

Relevant Guarantee 544, 614

Relevant Holder 544, 614
Relevant ISDA Definitions 787
Relevant Jurisdiction 74, 78, 452, 453
Relevant Level 505
Relevant Number 705, 724
Relevant Obligations 251, 306, 375, 544, 614
Relevant Page 279
Relevant Period 289
Relevant Price 477
Relevant Record Date 289
Relevant Screen Page 279, 715, 758
Relevant Selling and Transfer Restrictions 452, 453
Relevant Share Price 444
Relevant Stock Dividend 449
Relevant Stock Exchange 279
Relevant Time 758, 767
Remaining Amount 565, 635
Remaining Collateral Assets 742
Remaining Static Collateral Assets 701, 705
Remaining Static Collateral Assets (CDE) 709, 712
Remaining Term 615
Removal Date 485
Removal Value 485
Replaced Deliverable Obligation Outstanding Amount 559, 628
Replacement Currency 237
Replacement Deliverable Obligation 545, 559, 614, 628
Replacement Fund Interest 489
Replacement Reference Entity 545, 614
Replacement Secured Instruments Valuation Agent 707, 743
repo 806
Reporting Disruption 488
Representative Amount 545, 615

Repudiation/Moratorium 545, 615

Repudiation/Moratorium Evaluation Date 546, 615

Repudiation/Moratorium Extension Condition 546, 615

Repudiation/Moratorium Extension Notice 546, 616

Required Collateral Default 141, 687, 724

Required Collateral Default Notice 141, 687, 724

Required Collateral Value 724

Required MTM Collateral Value 687

Required Static Collateral Nominal Amount 687

Resolve 547, 616

Restricted Entity 900

Restructured Bond or Loan 547, 616

Restructuring 547, 616, 712

Restructuring Date 548, 617

Restructuring Maturity Limitation Date 548, 617

retail investor 4, 253, 309

Reverse Merger 500

Revised Currency Rate 548, 618

RFR Compounded Indices 129

RFR Swap Rate Notes 120

RFR Swap Rates 120

R_i 771, 772, 774

r_i-pBD 773

RP 234

Rule 144A 3, 147, 156, 157, 311, 312, 648, 653, 658, 821, 883

Rule 144A Certificates 150

Rule 144A Global Certificate 659

Rule 144A Global Certificates 150

Rule 144A Global Instruments 150

Rule 144A Global Note 156, 653

Rule 144A Global Notes 147

Rule 144A Global W&C Instrument 311, 658

Rule 144A Global W&C Instruments 150
Rule 144A Global Warrant 149, 659
Rule 144A Instruments 3
Rule 144A LEPW 862
Rule 144A Note Conditions 653
Rule 144A Notes 147
Rule 144A W&C Instruments 150
Rule 144A W&C Instruments Conditions 658
Rule 144A Warrants 149
Saudi Share Linked Warrant Conditions 673
Saudi Share Linked Warrants 1, 356
SCA 907
Scheduled Averaging Date 406, 407, 422, 465, 491
Scheduled Closing Time 279, 291, 413, 426, 455, 496
Scheduled Credit Settlement Date 514, 583
Scheduled Exercise Date 317, 618
Scheduled Expiration Cut-Off Date 444
Scheduled Expiration Date 444
Scheduled Fund Redemption Valuation Date 485
Scheduled Fund Valuation Date 485
Scheduled Maturity Date 162
Scheduled Maturity Notice Date 548
Scheduled Observation Date 413, 426, 496
Scheduled Pricing Date 477
Scheduled Reference Date 469
Scheduled Settlement Date 444
Scheduled Trading Day 279, 413, 426, 455, 496, 675
Scheduled Valuation Date 291, 413, 426, 469, 496
Scheduled Valuation Date (Futures Contract) 754
Scheme 878
Screen Page 165
SDRT 880

SEC 9, 901

Second Nearby Month 477

Second Obligation 534, 604

Secured Fully Floating Instruments Conditions 100, 132, 717

Secured Instrument Event of Default 141, 688, 693, 725, 731

Secured Instrument Intra-day Market Value 745

Secured Instrument Intra-day Value 715

Secured Instrument Market Value 726

Secured Instrument Valuation Date 726

Secured Instrument Valuation Time 726

Secured Instruments 2

Secured Instruments Collateral Provider 29, 132, 687, 725

Secured Instruments Collateral Provider Agreement 688, 725

Secured Instruments Conditions 132

Secured Instruments Valuation Agent 134, 688, 726

Secured Notes 2, 208

Secured Obligations 689, 727

Secured Parties 687, 725

Secured Party 687, 725

Secured Static/Floating Instruments Conditions 100, 132, 679

Secured W&C Instruments 2, 356

Securities 279

Securities Act 3, 147, 156, 157, 196, 254, 311, 312, 347, 653, 658, 819, 882, 883, 898

SECURITIES ACT 819, 820, 823, 829, 832

Securities Market Act 905

Security Agency Agreement 132, 687, 726

Security Agent 132, 687, 726

Security Agent Amounts 687, 726

Security Agent Liabilities 686, 724

SEHK 78, 455

Selection Date 232

Senior Obligation 548, 618

Senior Transaction 548, 618
Seniority Level 548, 618
SER 1
Series 207, 269, 355
Settled Currency 68
Settlement Arrangements 53
Settlement Business Day 360
Settlement Business Day Convention 444
Settlement Currency 444, 549, 618
Settlement Cycle 279, 290
Settlement Date 360, 549, 675
Settlement Disruption Event 362, 652
Settlement Method 549, 618
Settlement Notice 558, 560, 628, 629
Settlement Price 444
Settlement Price (Effective Price 1) 444
Settlement Price (Effective Price 2) 445
Settlement Price (Index Closing Level) 445
Settlement Price (Share Closing Price 1) 445
Settlement Price (Share Closing Price 2) 445
Settlement Record Date 398
SFA 154, 253, 309, 902, 904
SFA Security 902, 903
SFC 78
SFO 895
Shanghai-HK Connect 78
Share 174, 324, 339, 426, 675
Share Closing Price 426
Share Company 173, 174, 324, 339, 427, 675
Share Linked Conditions 421, 439
Share Linked Instruments 1
Share Linked Interest Notes 210

Share Linked Notes 208
Share Linked Redemption Notes 210
Share Linked W&C Instruments 356
Share Linked Warrant 377
Share Performance 427
Share Price 279, 285, 427
Share Reference Price 279
Share Substitution Criteria 427
Shareholders 279
Shares 174, 279, 324, 339, 426, 675
Shenzhen-HK Connect 78
Short Credit Linked Certificate 578
Short Credit Linked W&C Instrument 578
Short Credit Linked Warrant 578
Short Exercise Date 618
Short Movement Option Condition 618
Short Parallel Auction Settlement Terms 618
Similar Laws 820
Simplified Prospectus 888
SIN Code 329
Small Number of Investors Solicitation 898
SOFR 767
SOFR Administrator 768
SOFR Administrator's Website 768
SOFR Benchmark 787
SOFR Benchmark Reference Time 789
SOFR Benchmark Replacement 787
SOFR Benchmark Replacement Adjustment 787
SOFR Benchmark Replacement Conforming Changes 788
SOFR Benchmark Replacement Date 788
SOFR Benchmark Replacement Relevant Governmental Body 789
SOFR Benchmark Transition Event 788

SOFR Compounded Index 776

SOFR Corresponding Tenor 789

SOFR Notes 118, 786

SOFR Website 806

Solvency Capital Provisions 549, 619

SONIA 768

SONIA Compounded Index 776

SONIA Website 806

Sovereign 549, 619

Sovereign Restructured Deliverable Obligation 549, 619

Sovereign Succession Event 549, 619

Special Cash Dividend 289

Specified Business Hours 715, 745

Specified CMS Rate 120

Specified CMS Rate Notes 120

Specified Currency 279, 535, 605, 766, 785

Specified Denomination 279

Specified Financial Centre(s) 468

Specified Maturity 758

Specified Number 549, 619

Specified Price 477

Specified Rate 441

Specified Static Collateral Assets 688, 715

SPOE 46

SRO List 549, 619

SSE 78

SSPA 40, 791

Standard Order of Priority 686, 724

Standard Reference Obligation 549, 619

Standard Specified Currencies 549, 619

STAR Market Share Connect Selling Restrictions 458

STAR Market Shares 893

Static Collateral Assets 688
Static Collateral Enforcement Proceeds 700
Static Collateral Enforcement Proceeds Share 700
Static Collateral Hedge Termination Costs 688
Static Collateral Intra-day Value 715
Static Collateral Proceeds (CDE) 712
Static Collateral Proceeds Share (CDE) 712
Static Collateral Specified Percentage 688
Static Collateral Test 103, 134, 688
Steps Plan 554, 624
STMP 444
Stock Dividend Payment Date 450
Strategy Breach 487
Strike Date 413, 427, 468, 478, 496, 747
Strike Price 445
Structured Products 3, 888
STXP 445
sub-custodians 100
Subject Currency 230, 367, 468
Subject Currency Jurisdiction 230, 367, 468
Subordinated Obligation 549, 619
Subordinated Transaction 549, 619
Subordination 534, 604
Subsidiary 249, 305, 374
Substitute 373
Substitute Currency 236, 298, 368
Substitute Index Level 506
Substitute Reference Obligation 550, 619
Substitute Reference Obligation Resolution Request Date 551, 621
Substitute Share 433
Substitute Shares 434
Substitution Date 551, 621

Substitution Event 551, 621
sub-unit 217, 281
succeed 553, 623
Successor 552, 621
Successor Backstop Date 554, 624
Successor Currency 471
Successor Index 418, 481
Successor Index Sponsor 418, 481
Successor Notice 554, 624
Successor Resolution Request Date 554, 624
Supplemental Memorandum 146
Surviving Reference Entity 571, 572, 642
Swap Rate Notes 120
Swap Rates 120
Swiss KID 888
Swiss Non-Exempt Public Offers 38, 791
Swiss Offer Period 197, 262, 348
Swiss Review Body 1
SZSE 78
TARGET2 System 225, 359, 673
Tax 445
Taxation 675
Taxing Authority 445
TCGA 878
Tender Offer 432, 501
Tender Offer Date 432, 501
Terms and Conditions 207, 354
TIBOR 116
TLAC Rules 47
Tokyo Banking Day 769
TONA 118, 769
TONA Compounded Index 776

TONA Notes 118

TONA TSR 120, 763

TONA TSR Notes 120

TONA TSR Website 123, 805

TONA Website 806

TORF 114, 760

TORF Administrator 760

TORF Notes 114

TORF Observation Day 760

TORF Website 804

Trade Date 414, 427, 445, 554, 624, 675, 751

Trading Disruption 279, 291, 414, 427

Trading Failure 677

Tranche 207, 269

Tranche 1 Issue Date 445

Tranche Size 554

Tranched Portfolio CLNs 554

Transaction 277

Transaction Auction Settlement Terms 554, 624

Transaction Date 444, 445

Transaction Type 555, 624

Transferable 518, 587

Treaty 279, 376

Trigger Percentage 574, 642

Triparty Account Control Agreement 132, 688, 726

trust 891, 892, 893

trustee 891, 892, 893

Type of Index 172, 321, 410

U.S. Certificate Agent 354

U.S. Dollar SOFR ICE Swap Rate® 762

U.S. dollars 10

U.S. Government Securities Business Day 769

U.S. Paying Agent 206
U.S. person 4, 147, 156, 196, 255, 262, 347, 361
U.S. PERSON 824, 831, 834
U.S. Special Resolution Regime 251, 306, 375
U.S. Special Resolution Regimes 48
U.S. Treasury 58, 859
U.S. Warrant Agent 354
U.S. Withholding Tax Event 231, 294, 369
U.S.$ 10
UAE 907
UK 4, 155, 254, 310, 886
UK PRIIPs Regulation 4, 154, 253, 309, 886
UK Prospectus Regulation 4, 155, 254, 310, 886
Unadjusted 218, 219
Unadjusted Constant Maturity Swap Replacement 785
Unadjusted General Benchmark Replacement 781
Unadjusted SOFR Benchmark Replacement 789
Undeliverable Collateral Assets 688, 726
Undeliverable Obligation 555, 625
Underlying Asset 41, 791
Underlying Assets 41, 791
Underlying Finance Instrument 569, 639
Underlying Index 178, 329, 496
Underlying Instruments 69
Underlying Loan 569, 639
Underlying Obligation 555, 625
Underlying Obligor 555, 625
Underlying Share 356
Underlying Shares 461
Underlying Shares Issuer 461
Undetermined Reference Entity 555
Undetermined Reference Entity Date 555

Undetermined Reference Entity Notional Amount 555
Unit 360
Unitary Index 414
United States 156, 361, 819, 882
United States Alien 240, 300
Universal Successor 552, 622
Unrounded Collateral Assets Entitlement 706, 742
Unrounded Collateral Assets Entitlement (CDE) 713
Unscheduled Holiday 469
Unsettled Event Determination Interest Period 555
Unwind Costs 556, 625
USA Patriot Act 828
USD Swap Rate Observation Day 762
Valid Date 407, 423, 492
Valuation Agency Agreement 688, 727
Valuation Agent Agreement 134
Valuation Cut-Off Date 291, 414, 427, 468, 496, 754
Valuation Date 291, 414, 427, 446, 469, 484, 496, 556, 625, 675, 752, 754
Valuation Method 556, 563, 626, 633
Valuation Time 279, 292, 416, 428, 469, 497, 557, 563, 627, 633
Volume Weighted Average Price 280, 285
voting power 249, 374
Voting Shares 557, 627
VWAP 285
W&C Instrument 354
W&C Instrument Agents 354
W&C Instrument holders 355
W&C Instruments 1, 354
W&C Instruments Conditions 2, 405, 421, 439, 460, 465, 474, 484, 505, 578, 658, 673, 679, 717
W&C Instruments Deed of Covenant 355
Waived Instrument 688, 727
Waived Instruments 137

Warrant 354

Warrants 1, 354

Weighted Average Quotation 557, 563, 627, 633

Weighting 172, 174, 321, 324, 339

Withholdable Payments 864

Worst Performing Fund Share 497

Worst Performing Index 417

Worst Performing Share 429

Writedown Amount 558

y 234

Y1 ..... 216, 217, 281, 389, 390, 401, 402

Y2 ..... 216, 217, 281, 389, 390, 401, 402

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