

**SUPPLEMENT NO. 6 DATED 10 April 2025 TO THE BASE  
PROSPECTUS DATED 19 JULY 2024**



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

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

**NOTE, WARRANT AND CERTIFICATE PROGRAMME**

Unconditionally and irrevocably guaranteed  
(in respect of Instruments issued by Merrill Lynch B.V.)

by

**Bank of America Corporation**

**Supplement to the Base Prospectus**

This supplement (the "**Supplement**") to the base prospectus of Bank of America Corporation ("**BAC**") and Merrill Lynch B.V. ("**MLBV**") dated 19 July 2024 (the "**Original Base Prospectus**") (as supplemented on 2 August 2024, 28 October 2024, 20 November 2024, 13 February 2025 and 25 March 2025 the "**Base Prospectus**"), prepared in connection with the Note, Warrant and Certificate Programme (the "**Programme**") of BAC and MLBV constitutes a supplement for the purposes of Article 23(1) of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"). Terms defined in the Base Prospectus have the same meanings when used in this Supplement.

On 19 July 2024, the Base Prospectus was approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") as competent authority under the EU Prospectus Regulation and by the Luxembourg Stock Exchange for the purpose of giving information with regard to the issue of Exempt Instruments only by the Issuers under the Programme during the period of 12 months from the date of the Base Prospectus.

This Supplement is supplemental to, and shall be read in conjunction with, the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference into the Base Prospectus, the statements in (a) above will prevail.

The Supplement has been approved by the CSSF as competent authority under the EU Prospectus Regulation. The CSSF only approves the Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. The CSSF does not approve the information relating to the issue of Exempt Instruments.

The Supplement has also been approved by the Luxembourg Stock Exchange for the purpose of giving information with regard to the issue of Exempt Instruments. The Supplement has been deposited with SIX Exchange Regulation Ltd. in its capacity as review body pursuant to article 54 of the Swiss Financial Services Act of 15 June 2018, as amended.

## **Right of withdrawal**

In accordance with Article 23(2) of the EU Prospectus Regulation, investors in the European Economic Area who have already agreed to purchase or subscribe for Instruments issued under the Base Prospectus before this Supplement is published and where the Instruments have not yet been delivered to them at the time when the significant new factor, material mistake or material inaccuracy to which this Supplement relates arose or was noted have the right, exercisable within three working days after the publication of this Supplement, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy to which this Supplement relates arose or was noted before the closing of the offer period or the delivery of the securities, whichever occurs first. This right is exercisable up to, and including, 15 April 2025. Investors may contact the relevant Authorised Offeror(s) (as set out in the Final Terms of the relevant Instruments) should they wish to exercise such right of withdrawal.

## **Responsibility**

BAC accepts responsibility for the information contained in this Supplement and confirms that to the best of the knowledge of BAC, the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect its import.

MLBV accepts responsibility for the information contained in this Supplement and confirms that to the best of the knowledge of MLBV, the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect its import.

## **Purpose of this Supplement**

The purpose of this Supplement is to amend the following sections of the Base Prospectus for the purposes of passporting the Base Prospectus into Finland, Hungary and Sweden:

- the section entitled "*Important Notices*";
- the Form of Final Terms of the Notes;
- the Form of Final Terms of the W&C Instruments;
- the section entitled "*Taxation*";
- the section entitled "*Offering and Sale*";
- the section entitled "*Important Legal Information*"; and
- the section entitled "*General Information*".

## **Information being supplemented**

### ***1. Amendments to the section entitled "Important Notices"***

The section entitled "*Important Notices*" on pages 5 to 12 of the Original Base Prospectus is supplemented as follows:

- (a) The paragraphs under the section entitled "*Regulatory approval and passporting for the purposes of the EU Prospectus Regulation*" on page 5 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"This Base Prospectus has been approved by the CSSF as competent authority under the EU Prospectus Regulation. The CSSF only approves the Base Prospectus as meeting the standards of

completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Pursuant to article 6(4) of the Luxembourg Law dated 16 July 2019 on prospectuses for securities ("**Luxembourg Prospectus Law**"), by approving this Base Prospectus, the CSSF gives no undertaking as to, and assumes no responsibility for, the economic and financial characteristics of the Instruments to be issued hereunder or the quality and solvency of any Issuer. This should not be considered as an endorsement of the Issuers or the Guarantor or the quality of the Instruments that are the subject of the Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Instruments having regard to their own financial situation, investment experience and investment objectives.

Such approval relates only to Instruments (other than Exempt Instruments) which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU and Regulation (EU) No.600/2014 (as amended, "**MiFID II**") and/or which are to be offered to the public in any Member State of the EEA.

The CSSF has provided the competent authorities of Finland, France, Hungary, Ireland and Sweden with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the provisions of the EU Prospectus Regulation."

- (b) The third paragraph under the section entitled "*Distribution of Instruments*" on page 8 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Instruments in the United States, the EEA (including Austria, Denmark, Finland, France, Greece, Italy, Luxembourg, the Netherlands, Poland, Portugal, Spain and Sweden), the United Kingdom, Argentina, Bahamas, Bermuda, Brazil, Cayman Islands, Chile, Colombia, Costa Rica, Dominican Republic, Dubai International Finance Centre, El Salvador, Guatemala, Guernsey, Honduras, Israel, Jamaica, Jersey, Mauritius, Mexico, Nicaragua, Oman, Panama, Paraguay, Peru, Qatar, South Africa, St. Kitts and Nevis, Switzerland, Turkey, 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 (see "*Offering and Sale*" below for further information)."

## 2. Amendments to the Form of Final Terms of the Notes

The Form of Final Terms of the Notes is supplemented as follows:

- (a) The paragraph under the section entitled "Purpose of Final Terms" on page 210 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"These Final Terms comprise the Final Terms required for issue [,and] offer to the public in [Finland / France / Hungary / Ireland / Luxembourg / Sweden] [and admission to trading on [specify relevant market (for example, the regulated market or 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 Bank of America Corporation and Merrill Lynch B.V. Note, Warrant and Certificate Programme."

- (b) The line item entitled "Public Offer Jurisdiction" on page 214 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"Public Offer Jurisdiction: [Finland / France / Hungary / Ireland / Luxembourg / Sweden] [*Specify the relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported.*]"

- (c) The line item entitled "Conditions attached to the consent" on pages 215 to 216 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"Conditions attached to the consent: [The Issuer consents to the use of the Base Prospectus in connection with the making of an offer of the Notes to the public requiring the prior publication of a prospectus under

the EU Prospectus Regulation (a "**Non-exempt Offer**") by each financial intermediary specified in (i) and (ii) below (each, an "**Authorised Offeror**") in Finland / France / Hungary/ Ireland / Luxembourg / Sweden] :

(i) **Specific consent:** [●] [and each financial intermediary expressly named as an Authorised Offeror on the Issuer's website ([https://spdocs.bofa.com/]] [●]); and

(ii) **General consent:** [Not Applicable] / [Applicable: each financial intermediary which (A) is authorised to make such offers under Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"), including under any applicable implementing measure in each relevant jurisdiction, and (B) accepts such offer by publishing on its website the Acceptance Statement]

*[insert any other clear and objective conditions attached to the consent to use the Base Prospectus]"*

### 3. *Amendments to the Form of Final Terms of the W&C Instruments*

The Form of Final Terms of the W&C Instruments is supplemented as follows:

- (a) The paragraph under the section entitled "Purpose of Final Terms" on page 342 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"These Final Terms comprise the Final Terms required for issue [,[and] offer to the public in [Finland / France / Hungary/ Ireland / Luxembourg / Sweden] [and admission to trading on [specify relevant market (for example, the regulated market or 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 Bank of America Corporation and Merrill Lynch B.V. Note, Warrant and Certificate Programme."

- (b) The line item entitled "Public Offer Jurisdiction" on page 345 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"Public Offer Jurisdiction: [Finland / France / Hungary / Ireland / Luxembourg / Sweden] *[Specify the relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported.]*"

- (c) The line item entitled "Conditions attached to the consent" on page 346 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

"Conditions attached to the consent: [The Issuer consents to the use of the Base Prospectus in connection with the making of an offer of the [Warrant/Certificates] to the public requiring the prior publication of a prospectus under the EU Prospectus Regulation (a "**Non-exempt Offer**") by each financial intermediary specified in (i) and (ii) below (each, an "**Authorised Offeror**") in Finland / France / Hungary / Ireland / Luxembourg / Sweden];

(i) **Specific consent:** [●] [and each financial intermediary expressly named as an Authorised Offeror on the Issuer's website ([https://spdocs.bofa.com/][●])]; and

(ii) **General consent:** [Not Applicable] / [Applicable: each financial intermediary which (A) is authorised to make such offers under Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"), including under any applicable implementing measure in each relevant jurisdiction, and (B) accepts such offer by publishing on its website the Acceptance Statement]

*[insert any other clear and objective conditions attached to the consent to use the Base Prospectus]]"*

#### **4. Amendments to the section entitled "Taxation"**

The section entitled "*Taxation*" on pages 679 to 702 of the Original Base Prospectus is supplemented by inserting the following sub-sections immediately after the sub-section entitled "**IRELAND TAXATION**" on page 702 of the Original Base Prospectus:

- (a) "**FINNISH TAXATION**" (as set out in Schedule A hereto);
- (b) "**HUNGARIAN TAXATION**" (as set out in Schedule B hereto); and
- (c) "**SWEDISH TAXATION**" (as set out in Schedule C hereto).

#### **5. Amendments to the section entitled "Offering and Sale"**

The section entitled "*Offering and Sale*" on pages 703 to 722 of the Original Base Prospectus is supplemented by inserting a new sub-section immediately after the sub-section entitled "**ST. KITTS AND NEVIS**" on page 720 as follows:

##### **"SWEDEN**

The Instruments are subject to the restrictions referred to above under "*Prohibition of sales to EEA retail investors and public offer selling restriction.*"

#### **6. Amendments to the section entitled "Important Legal Information"**

The sub-section entitled "**Consent to use this Base Prospectus**" on pages 723 to 724 of the Original Base Prospectus is supplemented as follows:

- (a) Paragraph 10 beginning with the heading "**(a) Public Offer Jurisdiction(s)**" shall be deleted in its entirety and replaced with the following:
  - "(a) **Public Offer Jurisdiction(s):** the Non-Exempt Offer is only made in Finland, France, Hungary, Ireland, Luxembourg and/or Sweden as specified in the Final Terms (the "**Public Offer Jurisdiction(s)**"); "
- (b) Paragraph 13 beginning with the words "*The consent shall be valid in relation to the Grand Duchy of Luxembourg...*" shall be deleted in its entirety and replaced with the following:

"The consent shall be valid in relation to Luxembourg and each other Member State the competent authority of which has been provided with a certificate of approval by the CSSF in relation to this Base Prospectus under Article 25(1) of the EU Prospectus Regulation, including Finland, France, Hungary, Ireland and Sweden provided that it shall be a condition of such consent that this Base

Prospectus may only be used by the relevant Authorised Offeror(s) to make offerings of the relevant Instruments in the jurisdiction(s) in which the Non-Exempt Offer is to take place, as specified in the applicable Final Terms."

## **7. Amendments to the section entitled "*General Information*"**

Paragraph 11 entitled "*Passporting*" under the section entitled "*General Information*" on pages 727 to 728 of the Original Base Prospectus shall be deleted in its entirety and replaced with the following:

### **"(11) Passporting**

In accordance with Article 25(1) of the EU Prospectus Regulation, the CSSF has been requested to provide the following competent authorities with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the EU Prospectus Regulation:

- Finanssivalvonta (Fiva) (**Finland**);
- *Autorité des marchés financiers* (AMF) (**France**);
- *Magyar Nemzeti Bank* (MNB) (**Hungary**);
- Central Bank of Ireland (CBI) (**Ireland**); and
- *Finansinspektionen* (FI) (**Sweden**).

Following approval of this Base Prospectus by the CSSF, the Issuers will deposit this Base Prospectus with SIX Exchange Regulation Ltd. in its capacity as review body as an approved foreign prospectus within the meaning of article 54 the FinSA (**Switzerland**)."

### **General**

This Supplement will be available for viewing and can be obtained during normal business hours from the specified office of the applicable Paying Agent (in respect of Notes) and the applicable W&C Instrument Agent (in respect of W&C Instruments) and on the Luxembourg Stock Exchange's website at [www.luxse.com](http://www.luxse.com).

## SCHEDULE A

### FINNISH TAXATION

*The following is an overview of certain Finnish tax consequences for holders of the Instruments who are residents of Finland for tax purposes. The overview is based on tax laws and taxation practice, as in effect and applied as at the date of this Base Prospectus and is intended to provide general information only. Tax laws, taxation practices and their interpretation are constantly under change, which changes may sometimes have a retroactive effect and may change the conclusions set out in this overview.*

*The tax treatment of certain categories of the Instruments is not in all respects established and is, therefore, to some extent uncertain. In particular, there are no specific tax laws addressing the tax treatment of warrants or certificates in Finland, nor is there any case law available in respect of the tax treatment of certificates. This overview is, however, based on the assumption that certificates would be given a similar tax treatment as currently available to warrants under prevailing taxation practice and case law. In addition, this summary assumes that the Instruments are admitted to trading on a regulated market or would otherwise qualify for trading on a regulated market.*

*The overview covers only the tax consequences of the subscription, purchase, ownership, and disposal of Instruments by individuals who are taxed in accordance with the Finnish Income Tax Act and by Finnish limited liability companies taxed in accordance with the Finnish Business Income Tax Act. The overview does not cover situations where individuals hold the Instruments in the context of business activities or where the Instruments are held as current assets (i.e. allocable to the inventory or otherwise held for trading purposes) or as investment or financial assets by a limited liability company or where there are unrealized changes in the values of the Instruments. This overview does not address Finnish CFC-legislation.*

*The tax treatment of each holder of the Instruments partly depends on the holder's specific situation. This means that special tax consequences, which are not described below, may arise for certain categories of holders of the Instruments because of, for example, the effect and applicability of foreign income tax rules or provisions contained in an applicable double taxation treaty.*

*Each investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from subscription, purchase, ownership, and disposition of the Instruments.*

#### **Withholding tax**

On the basis that the Issuer is not resident in Finland for tax purposes and has no permanent establishment, fixed place of business or presence in Finland, there is no Finnish withholding tax (*Fi. lähdevero*) applicable on payments made by the Issuer in respect of the Instruments. However, Finland operates a system of preliminary taxation (*Fi. ennakonpidätysjärjestelmä*) to secure payment of taxes in certain circumstances. In the context of the Instruments, a tax of 30 per cent. will be deducted and withheld from all payments (including redemption proceeds/premium) that are treated as interest or as compensation comparable to interest if such payments are made by a Finnish account operator to individuals. Such preliminary tax (*Fi. ennakonpidätys*) will be used for the payment of the individual's final taxes (which means that they will be credited against the individual's final tax liability).

If, however, the Instruments are regarded as warrants (or certificates) for Finnish tax purposes, any profits on warrants (or certificates) would, based on current taxation practice and case law, be considered a capital gain (as opposed to interest or compensation comparable to interest). Therefore, any payments made in respect of Instruments that are regarded as warrants (or certificates) may be made without deduction or withholding for or on account of Finnish tax and should, accordingly, not be subject to any preliminary taxation (*Fi. ennakonpidätys*) by a Finnish account operator.

#### **Individuals**

##### *Income tax and capital gains – Notes*

All capital income of individuals – including capital gains – is currently taxed at a rate of 30 per cent. or 34 per cent. for capital income exceeding €30,000 annually. Capital losses are primarily deductible from capital gains arising in the same year. Any capital losses that cannot be used to offset capital gains in the same year can then

be applied against other capital income in the same year. Any remaining unused capital losses can finally be carried forward for five years and used in the same manner as described above.

A gain arising from the disposal of the Notes (other than the redemption thereof) constitutes capital gain for individuals. A gain arising from the redemption of the Notes constitutes capital income but may not necessarily be treated as capital gain. Losses arising from the disposal or redemption of the Notes should qualify as a capital loss.

Any capital gain or loss is calculated by deducting the original acquisition cost (including the purchase price and costs) and sales related expenses from the sales price. Alternatively, individuals may, in lieu of applying the actual acquisition costs, choose to apply a so-called presumptive acquisition cost, which is equal to 20 per cent. of the sales price or 40 per cent. of the sales price if the Notes have been held for at least ten years. If the presumptive acquisition cost is used instead of the actual acquisition cost, any sales expenses are deemed to be included therein and may, therefore, not be deducted in addition to the presumptive acquisition cost.

Upon the disposal of interest-bearing Notes, an amount corresponding to the interest for the time preceding the last interest payment date to the time of disposal of such Notes must normally first be deducted from the sales price, which amount is deemed to constitute capital income (but is not treated as capital gain). Any interest or compensation comparable to interest paid on the Notes during their respective loan period constitutes normally also capital income of the individual.

#### *Income tax and capital gains – Warrants and/or the Certificates*

A gain arising from the disposal or the redemption (i.e., the realization of the net value through cash settlement) of the Warrants and/or the Certificates constitutes capital gain for individuals. Similarly, a loss arising from the expiration (as worthless) of the Warrants and/or the Certificates constitutes a capital loss. Any capital gain or loss arising from the disposal or the expiration of the Warrants and/or the Certificates is, accordingly, treated and calculated in the same manner as for the Notes.

#### *Physical delivery of specified assets*

Exercise of the Instruments by physical settlement (delivery) of the underlying specified asset(s) is likely to be treated as a purchase by the holder of the Instrument. Accordingly, taxation is not triggered on the exercise of a physically settled (delivered) Instrument. Instead, the subsequent sale of the underlying specified asset(s) triggers capital gains taxation.

#### *Exceptions to capital gains and losses*

Capital gains arising from disposal of assets, such as the Instruments, are generally exempted from tax provided that the sales prices of all assets sold by the individual during the calendar year do not, in the aggregate, exceed €1,000. Correspondingly, capital losses are generally not tax deductible if the acquisition cost and the sales prices of all assets disposed during the calendar year do not, in the aggregate, exceed €1,000.

### **Corporate entities**

#### *Disposal and/or redemption of the Notes*

Any income received from the disposal and/or redemption of the Notes (including capital return) constitutes part of the limited liability company's taxable business income. A limited liability company is subject to a corporate income tax, currently at the rate of 20 per cent. for its worldwide taxable income.

The acquisition cost of the Notes (including the purchase price and costs) and any sales related expenses are generally deductible for tax purposes upon disposal or redemption. Accordingly, any loss due to disposal or redemption of the Notes is deductible from the taxable business income.

#### *Interest or compensation comparable to interest paid on the Notes*

Any interest or compensation comparable to interest paid on the Notes during their respective loan period constitutes part of the limited liability company's taxable business income.

#### *Disposal and/or redemption of the Warrants and/or the Certificates*



Any income received from the disposal and/or redemption of the Warrants and/or the Certificates constitutes part of the limited liability company's taxable business income and is generally taxed as set out above in respect of disposal and/or redemption of the Notes.

#### *Physical delivery of specified assets*

Exercise of the Instruments by physical settlement (delivery) of the underlying specified asset(s) is likely to be treated as a purchase by the holder of the Instrument. Accordingly, taxation is not triggered on the exercise of a physically settled (delivered) Instrument. Instead, the subsequent sale of the underlying specified asset(s) triggers capital gains taxation.

#### **Gift and inheritance tax**

Transfer of the Instruments by way of gift, bequest or inheritance is subject to Finnish gift or inheritance tax for the beneficiary/transferee, if either the transferor or the transferee was resident of Finland for tax purposes at the time of the death or gift. Tax treaties may limit Finland's right to impose gift or inheritance tax on non-residents of Finland.

#### **Non-resident holders**

A holder of the Instruments will generally not be subject to Finnish taxes on capital gains or interest payments if (i) such holder of Instruments is not a resident of Finland and (ii) such holder of Instruments does not carry on business in Finland or have a permanent establishment in Finland to which the Instruments are attributable.

## SCHEDULE B

### HUNGARIAN TAXATION

*The following is a general discussion of certain Hungarian tax consequences relating to the acquisition and ownership of Instruments. It does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Instruments, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. It is based on laws currently in force in Hungary and applicable on the date of this Base Prospectus, but subject to change, possibly with retrospective effect. The acquisition of the Instruments by non-Hungarian Holders, or the payment of interest under the Instruments, may trigger additional tax payments in the country of residence of the Holder, which is not covered by this overview, but where the provisions of the treaties on the avoidance of double taxation should be taken into consideration. Prospective purchasers of Instruments are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Instruments, including the effect of any state or local taxes, under the tax laws of Hungary and each country of which they are residents.*

#### **Taxation of foreign resident corporate Holders**

Interest on Instruments paid to a foreign resident corporate Holder, who does not have a permanent establishment in Hungary, by a resident legal entity or other persons and any capital gains realised by such foreign resident Holders on the sale of the Instruments is not subject to withholding tax in Hungary.

The tax liability of a foreign resident corporate Holder, which has a permanent establishment in Hungary, is limited, in general, to the income from business activities realised through its Hungarian permanent establishment.

#### **Taxation of Hungarian resident corporate Holders**

Under Act LXXXI of 1996 on Corporate Tax and Dividend Tax (the "**Corporation Tax Act**"), Hungarian resident taxpayers are subject to tax on their worldwide income. In general, resident taxpayers are entities established under the laws of Hungary (i.e. having a Hungarian registered seat). Foreign persons having their place of management in Hungary are also considered as Hungarian resident taxpayers. Taxable income is based on the pre-tax profit as shown in the financial statements calculated under Hungarian GAAP or IFRS Standards and adjusted by certain increasing and decreasing items set forth by tax legislation.

In general, interest and capital gains realised by Hungarian resident corporate Holders on the Instruments will be taxable in the same way as the regular income of the Holders. The general corporation tax rate in Hungary is 9 per cent.

Pursuant to Act C of 1990 on Local Taxes (the "**Local Taxes Act**"), financial institutions, financial enterprises, insurance companies and investment enterprises may be subject to local business tax on the basis of the proceeds realised on the Instruments.

#### **Taxation of individual non-Hungarian tax-resident Holders of Instruments**

Private individual investors, who are not tax resident in Hungary, shall not be liable to tax on their income from the Instruments provided that the Issuer is not Hungarian tax resident or it is not obliged to pay the interest, qualifying as such under the Hungarian Personal Income Tax Act (Act CVXII of 1995, as amended) (the "Personal Income Tax Act"), through its Hungarian permanent establishment, branch office or commercial representative office.

#### **Taxation of individual Hungarian tax-resident Holders of Instruments**

The income of a Hungarian tax resident private individual investor, arising from the acquisition, holding, redemption or sale of the Instruments which qualify as debt securities is subject to personal income tax in Hungary as interest income at the rate of 15 per cent.

Income from securities which do not qualify as debt securities, however, in general, are publicly offered, listed and traded at arm's length price on a controlled market of any EEA member state or such country with which Hungary has concluded a double tax treaty, is subject to personal income tax in Hungary as income from controlled capital market transactions at the rate of 15 per cent. The profit and loss of such transactions during the tax year can be totalled and the personal income tax assessed accordingly. Losses of previous two tax years can be used to offset the taxable profit of the tax year, subject to certain conditions.

Pursuant to Act LII of 2018 on Social Contribution Tax (the "**Social Contribution Tax Act**"), other income as part of the individual's aggregated income realised by private individuals resident in Hungary for social security purposes is subject to 13 per cent. social contribution tax. Hungarian resident individual holders of Instruments are subject to 13 per cent. social security tax on their interest income, in addition to the payable personal income tax.

#### *Tax allowance and exemption*

Favourable tax treatment could be applied on income from long-term investments in Hungary under Section 67/B of the Personal Income Tax Act. The tax allowance and tax exemption could be applied on the income under a long-term investment contract (in Hungarian, "*tartós befektetési számla*") ("**LTIC**") concluded between the private individual and an investment service provider or a credit institution. The LTIC itself is a separate agreement where the parties agree to observe the taxation rules laid down in the Personal Income Tax Act in order the private individual to be eligible for the below tax allowance or exemption.

In accordance with the rules of the LTIC, the private individual shall conclude an LTIC with an investment service provider or a credit institution and place funds on the LTIC account. The calendar year of opening the LTIC account is regarded as the collection year and funds can only be placed until the 31st of December of such year. The placed funds can be used, in the collection year and the subsequent years, in general, to invest in debt securities and controlled capital market transactions.

The withdrawal of funds, including the yield from the investments, from the LTIC account after the end of the third year following the collection year shall be subject to 10% personal income tax. The withdrawal of funds, including the yield from the investment, from the LTIC account after the end of the fifth year following the collection year shall be exempt from personal income tax.

## SCHEDULE C

### SWEDISH TAXATION

*The following discussion is an overview of certain material Swedish tax considerations relating to (i) Instruments issued by any of the Issuers where the Holder is tax resident in Sweden or has a tax presence in Sweden and (ii) Instruments where the Paying Agent or custodian is located in Sweden. This overview of certain tax issues that may arise as a result of holding Instruments is based on current Swedish tax legislation and is intended only as general information for Holders of Instruments who are resident or domiciled in Sweden for tax purposes, unless otherwise stated. This description does not deal comprehensively with all tax consequences that may occur for Holders of Instruments, nor does it cover the specific rules where Instruments are held by a partnership or are held as current assets in a business operation. The overview does, moreover, not cover Instruments held on a so-called investment savings account (Sw: investeringssparkonto). Special tax consequences that are not described below may also apply for certain categories of taxpayers, including investment companies and life insurance companies. It is recommended that potential investors in Instruments consult their own tax advisers for information with respect to the special tax consequences that may arise as a result of holding Instruments, including the applicability and effect of foreign income tax rules, provisions contained in double taxation treaties and other rules which may be applicable.*

#### **Withholding of tax**

There is no Swedish withholding tax (*källskatt*) applicable on payments made by the Issuer in respect of the Instruments. Sweden operates a system of preliminary tax (*preliminärskatt*) to secure payment of taxes.

In the context of the Instruments a preliminary tax of 30 per cent. will be deducted from all payments treated as interest in respect of the Instruments made to any individuals or estates that are resident in Sweden for tax purposes provided the paying entity is tax resident in Sweden and subject to reporting obligations. A preliminary tax of 30 per cent. will also be deducted from any other payments in respect of the Instruments not treated as capital gains, if such payments are paid out together with payments treated as interest. To the extent the Instruments are cleared through Euroclear Sweden, Euroclear Sweden would normally be obligated to make preliminary tax deductions. Depending on the relevant Holder's overall tax liability for the relevant fiscal year the preliminary tax may fall short of, equal or exceed the Holder's overall tax liability, with any balance subsequently to be paid by or to the relevant Holder, as applicable.

#### **Taxation of individuals resident in Sweden**

##### *Income from capital*

For individuals and estates of deceased Swedish individuals, capital gains, interest payments, dividends and other income derived from the holding of an asset should be reported as income from capital.

##### *Capital gains and losses*

Individuals and estates of deceased Swedish individuals, who sell their Instruments, are subject to capital gains taxation. The tax rate is 30 per cent. of the gain. The capital gain or loss is equal to the difference between the sales proceeds after deduction of the acquisition cost and sales costs of the Instruments. The acquisition cost is calculated according to the so-called average method. In brief this means that the costs of acquiring all Instruments of the same type and class are added together and calculated collectively, with respect to changes to the holding.

Optionally, the so-called standard method under which the acquisition cost is deemed to be the equivalent of 20 per cent. of the net sales price, may be applied on the disposal of listed Instruments (except for options and forward contracts) that are taxed in the same way as shares. An Instrument should be regarded as listed for Swedish tax purposes if it is listed on a regulated market considered to be a stock exchange under Swedish tax law.

As a main rule, 70 per cent. of a capital loss is deductible for tax purposes against any other taxable income derived from capital. However, capital losses on listed Instruments that are taxed in the same way as shares are fully deductible against taxable capital gains on such listed assets or capital gains on listed as well as non-listed shares in Swedish limited liability companies and foreign legal entities. Any remaining capital loss is deductible at 70 per cent. against any other capital income.

Capital losses on listed Instruments qualifying as Swedish receivables (i.e. denominated in SEK) are currently fully deductible. Moreover, under EU law capital losses on receivables denominated in foreign currency should also be fully deductible. In respect of non-listed receivables, only capital losses related to exchange fluctuations should be fully deductible.

If a deficit arises on income from capital, a reduction of the tax on income from employment and from business, as well as the tax on real estate, is allowed. The tax reduction allowed amounts to 30 per cent. of any deficit not exceeding SEK 100,000 and 21 per cent. of any deficit in excess of SEK 100,000. Deficits may not be carried forward to a subsequent fiscal year.

Gains or losses on currency exchange rate fluctuations may arise in relation to Notes where the sales proceeds received are in a foreign currency. However, no special calculations are required if the sales proceeds are exchanged into SEK (Swedish krona) within 30 days from the time of disposal. In such case, the exchange rate on the date of exchange shall be used when calculating the value of the sales proceeds. The exchange rate on the date of acquisition is generally used when determining the acquisition cost for tax purposes.

#### *Interest*

Interest as well as other income derived from the holding of an asset is subject to tax at a rate of 30 per cent. The tax liability arises when the interest (or other income) is paid to the Holder of the Instruments, in accordance with the so-called cash method.

### **Classification of various Notes and return on such Notes for tax purposes**

#### *Zero-coupon bonds*

No formal interest accrues on zero-coupon bonds.

The gain from a redemption of a zero-coupon bond is regarded as interest, subject to tax at the time of redemption. The interest equals the difference between the subscription amount and the redemption amount (the nominal amount). If the zero-coupon bond is disposed prior to maturity; the appreciation in value due to accrued interest is defined as interest compensation, which is taxed as interest. If there is a loss on the bond, this is deductible as a capital loss in accordance with the principles referred to above.

#### *FX Linked Notes*

FX Linked Notes constitute receivables and are taxed as capital income. Appreciation or depreciation in value is recognised at disposal or redemption as a capital gain or loss in accordance with the principles referred to above.

#### *Share Linked Notes*

Share Linked Notes constitute instruments that are taxed in the same way as shares provided that the return derives from equity. This should apply regardless of whether the Notes are denominated in foreign currency. The Swedish Tax Agency's opinion is, however, that a receivable denominated in foreign currency should, regardless whether the return on the receivable is linked to shares, be treated as a foreign receivable.

Any fixed, guaranteed return is taxed as interest and does not form part of any capital gain. Floating payments that cannot be predicted (based on the performance of an Underlying, such as an index) are classified as capital gains or, if the non-interest return is earned before the note is disposed of as other capital income.

Upon disposal prior to maturity an annual guaranteed return shall be regarded as interest compensation. Any remaining amount shall be treated as capital gain or loss. The acquisition cost for the instrument is the difference between the price paid for the note and any interest compensation amount.

At redemption, a yearly guaranteed return is regarded as interest, whereas any remaining part of a yearly floating return shall be treated as other capital income. The remaining part is taxed as a capital gain or loss.

#### *Hybrid Basket Linked Notes*

Combination notes (such as the Hybrid Basket Linked Notes) are considered as receivables for tax purposes (i.e. not as notes taxed in the same way as shares) if more than 50 per cent. of the return on the instrument derives from assets other than equity. The assessment is made at the time the notes are issued.

## **Classification of various Instruments for tax purposes**

Certificates and Warrants where the return is linked to equity (e.g. an equity index) are taxed in the same way as shares.

Certificates and Warrants, whose underlying assets are linked to claims in SEK, or to one or several interest indices, are treated as Swedish receivables. If the underlying assets are linked to foreign currency or claims in foreign currency, or if the Instruments relate to one or several indices depending on foreign currency, the Instruments are treated as foreign receivables.

Certificates and Warrants with a return deriving from a combination of equity and other assets (such as the Hybrid Basket Linked Instruments), are taxed in the same way as shares should more than 50 per cent. of the return on the security derive from equity. The assessment is made at the time the Certificates/Warrants are issued.

### **Settlement and sale of call warrants**

#### *Cash settled warrants*

Capital gains taxation is triggered on sale or when settled throughout the duration of the warrant or when the warrant lapses.

The acquisition cost is determined only according to the so-called "average method" described above. The standard method does not apply as the security is not linked to equity. See also the section entitled "*Taxation of individuals resident in Sweden, Capital gains and losses*" above.

If the cash settled warrant lapses, it is deemed sold for no consideration, incurring a loss equal to the acquisition cost. A loss is deductible as set out above.

#### *Physically settled warrants*

Taxation is not triggered on the exercise of a physically settled warrant. Instead a future sale of the underlying asset triggers capital gains taxation. The acquisition cost for the underlying asset equals the acquisition cost of the physically settled warrant and the exercise price.

A sale or redemption of a physically settled warrant triggers taxation. The acquisition cost is determined only according to the so-called "average method" described above. The standard method does not apply as the security is not linked to equity. See also the section entitled "*Capital gains and losses*" above.

If the physically settled warrant lapses, it is deemed sold for no consideration, incurring a loss equal to the acquisition cost. A loss is deductible as set out above.

### **Settlement, sale and lapse of put warrants**

The following applies to both cash settled warrants and physically settled warrants.

Taxation is triggered when the underlying asset is disposed of due to an exercise of a put warrant or on cash settlement. The capital gain or loss is calculated to equal the difference between the sales proceeds (the exercise price) after deduction for sales expenses and the acquisition cost of the underlying asset and the put warrant, or the difference between the cash settled sum and the acquisition cost for the warrant. This means that rules regarding disposal of shares will apply, if the relevant put warrant relates to such assets.

Furthermore, a sale or redemption of a put warrant triggers taxation. The rules concerning the acquisition cost, taxation of gains and the deductibility of capital losses are equal to those relating to call warrants and are described above. See the section entitled "Settlement and sale of call warrants, Cash settled warrants" above.

If the put warrant lapses, it is deemed sold for no consideration, incurring a loss equal to the acquisition cost. A loss is deductible as set out above.

### **Settlement, sale and lapse of Certificates**

A cash settlement, including redemption, or a sale of a Certificate triggers capital gains taxation. A physical settlement of a Certificate is likely to trigger capital gains taxation as well. A capital loss realised upon settlement, including redemption, is deductible in accordance with the principles referred to above.

The acquisition cost is determined according to the so-called "average method" described above. See also the section entitled "*Taxation of individuals resident in Sweden, Capital gains and losses*" above.

### **Taxation of non-residents in Sweden**

Holders of Instruments who are not tax resident in Sweden and who are not carrying on business operations from a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation on the disposal of Instruments. The Holders may, nevertheless, be subject to tax in their country of residence.

However, as far as non-resident individuals are concerned, capital gains on the sale of certain Instruments (such as Instruments taxed in the same way as shares) may in some cases be subject to Swedish tax if the individual has been resident or permanently lived in Sweden at any time during the calendar year of the sale or any of the 10 preceding calendar years. This provision is, nevertheless, in many cases limited under tax treaties for the avoidance of double taxation, which Sweden has concluded with other countries.

### **Stamp duty**

There is no stamp duty on the issuing, transfer or redemption of Instruments in Sweden.

### **Gift, Inheritance and Wealth taxes**

There is no gift, inheritance or wealth tax in Sweden.

### **Taxation of Swedish legal entities**

Limited liability companies and other legal entities, except for estates of deceased Swedish individuals, are taxed on all income (including income from the sale of Instruments) as income from business activities at a flat rate of 20.6 per cent. Regarding the calculation of a capital gain or loss and the acquisition cost, see "*Taxation of individuals resident in Sweden*" above. However, interest income as well as other income derived from the holding of an asset is taxed on an accrual basis. The sale of Instruments denominated in foreign currency may also give rise to foreign exchange gains or losses.

Capital losses on Instruments that are taxed in the same way as shares (see further above) incurred by a corporate holder of an Instrument may only be offset against taxable capital gains on shares or other securities taxed in the same manner as shares. Such capital losses may also, under certain circumstances, be tax deductible against capital gains on shares and Instruments that are taxed in the same way as shares within the same group of companies, provided the requirements for group contributions (tax consolidation) are met.

Capital losses on shares and Instruments that are taxed in the same way as shares which are not deducted against capital gains within a certain year may be carried forward and offset against taxable capital gains on shares and notes taxed in the same way as shares in the future.

Notwithstanding the above, for limited liability companies and economic associations, capital gains on shares and certain share linked rights held for business purposes are tax exempt. Correspondingly, capital losses on shares and share linked rights that are held for business purposes are not tax deductible. Instruments under this offer are not treated as share linked rights held for business purposes. However, a capital loss on the Instruments is not tax deductible should the underlying assets, directly or indirectly, consist of shares or certain share linked rights held for business purposes.

As mentioned above, there is no stamp duty on the issuing, transfer or redemption of Instruments in Sweden.