INFORMATION MEMORANDUM

WELLS FARGO FINANCE LLC

(formed with limited liability in Delaware)

U.S.$5,000,000,000
Euro Medium Term Note Programme

Fully and Unconditionally Guaranteed by
WELLS FARGO & COMPANY

(*incorporated with limited liability in Delaware*)

Wells Fargo Finance LLC (the "**Issuer**"), a wholly-owned finance subsidiary of Wells Fargo & Company, has established a euro medium term note programme (the "**Programme**") as described in this information memorandum (the "**Information Memorandum**"). Pursuant to the Programme, the Issuer may from time to time issue notes (the "**Notes**") up to the maximum outstanding aggregate principal amount of U.S.$5,000,000,000. Wells Fargo & Company (the "**Guarantor**") will fully and unconditionally guarantee (the "**Guarantee**") all payments of principal, interest and other amounts payable on any Notes the Issuer issues.

Notes will be issued in series (each a "**Series**") in bearer form or in registered form. Each Series may comprise one or more tranches (each a "**Tranche**") issued on different issue dates. Each new Series will be issued subject to the Indenture (as defined below). Each such Tranche will be issued on the terms set out in the Indenture as supplemented, amended and/or replaced by a document setting out the final terms of such Tranche (the "**Pricing Supplement**") or in a separate information memorandum specific to such Tranche (a "**Drawdown Information Memorandum**") as described under "*Pricing Supplement, Drawdown Information Memorandum and Supplements*" below. Notes may be issued whose return is linked to the credit of a specified entity or entities (such Notes being "**Credit Linked Notes**"). The terms and conditions applicable to Credit Linked Notes shall include the additional terms and conditions set out herein under "*Additional Terms for Credit Linked Notes*" (the "**Credit Linked Terms**"), in each case subject to completion in the relevant Pricing Supplement. Notes may be issued whose return is linked to equity of a specified entity or entities (such Notes being "**Equity Linked Notes**"). The terms and conditions applicable to Equity Linked Notes shall include the additional conditions set out herein under "*Additional Terms for Equity Linked Notes*" (the "**Equity Linked Terms**"), in each case subject to completion in the relevant Pricing Supplement. In the case of a Tranche of Notes which is the subject of a Drawdown Information Memorandum, each reference in this Information Memorandum to information being specified or identified in the relevant Pricing Supplement shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Information Memorandum unless the context requires otherwise. This Information Memorandum must be read and construed together with all documents incorporated by reference herewith, any amendments or supplements hereto and, in relation to any Tranche of Notes which is the subject of a Pricing Supplement, must be read and construed together with the relevant Pricing Supplement.

The Notes issued as part of a Series will be issued under an amended and restated indenture dated 27 March 2026 (as may be supplemented from time to time) (the "**Indenture**") among the Issuer, the Guarantor and Citibank, N.A., London Branch as trustee (the "**Trustee**") for the holders of the Notes (the "**Noteholders**"), principal paying agent in respect of Notes other than CMU Notes (the "**Principal Paying Agent**") and a transfer agent in respect of Notes other than CMU Notes (an "**ICSD Transfer Agent**"), Citibank Europe plc as registrar in respect of Notes other than CMU Notes (the "**ICSD Registrar**"), The Bank of New York Mellon, Hong Kong Branch as CMU lodging and paying agent in respect of CMU Notes (the "**CMU Lodging and Paying Agent**"), CMU registrar in respect of CMU Notes (the "**CMU Registrar**") and a CMU transfer agent in respect of CMU Notes (a "**CMU Transfer Agent**") and The Bank of New York Mellon as CMU U.S. withholding tax administration agent in respect of CMU Notes (the "**CMU U.S. Withholding Tax Administration Agent**").

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state in the United States. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "**SEC**") or any state securities commission, nor has the SEC or any state securities commission passed upon the accuracy or adequacy of this Information Memorandum. The Notes may be offered for sale to non-U.S. persons outside the United States, as defined in Regulation S under the Securities Act. The Notes may not be offered, delivered or sold within the United States or to or for the account of U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. Notes in bearer form may only be issued to the extent they are classified as being in registered form for U.S. tax purposes.

The Notes and the Guarantee are unsecured obligations of the Issuer and the Guarantor, respectively. If the Issuer and the Guarantor default on their obligations investors in the Notes may lose some or all of their investment. The Notes are not deposits or other obligations of a depository institution and are not insured by the Federal Deposit Insurance Corporation (the "**FDIC**"), the Deposit Insurance Fund or any other governmental agency.

This Information Memorandum does not comprise a prospectus or a base prospectus for the purposes of the FCA Handbook Prospectus Rules: Admission to Trading on a Regulated Market sourcebook ("**PRM**") made by the United Kingdom ("**UK**") Financial Conduct Authority (the "**FCA**") in accordance with the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**", together with PRM, the "**UK Prospectus Regime**") nor a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129, as amended (the "**EU Prospectus Regulation**").

Application may be made for the Notes to be admitted to listing, trading and/or quotation by any stock exchange and/or quotation system, **provided that** such stock exchange and/or quotation system does not constitute a regulated market for the purposes of Directive 2014/65/EU, as amended ("**EU MiFID II**") or Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**") ("**UK MiFIR**"). The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any stock exchange and/or quotation system.

The Programme has been assigned ratings of A1 Senior Unsecured by Moody's Investors Service, Inc. ("**Moody's**") and BBB+ long term senior unsecured by S&P Global Ratings, acting through Standard & Poor's Financial Services LLC ("**Standard & Poor's**"). Neither Moody's nor Standard & Poor's is established in the European Economic Area (the "**EEA**") or the UK, and neither is certified under Regulation (EC) 1060/2009, as amended (the "**EU CRA Regulation**") or Regulation (EC) No 1060/2009 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK CRA Regulation**"). However, the rating: (i) Moody's has assigned is endorsed by Moody's Investors Service Ltd, which is established in the UK and registered under the UK CRA Regulation; and (ii) Standard & Poor's has assigned is endorsed by S&P Global Ratings UK Limited, which is established in the UK and registered under the UK CRA Regulation.

Tranches of Notes may be rated or may be unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) assigned to Notes already issued. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer and the Guarantor to fulfill their respective obligations under the Notes and the Guarantee, as applicable, are discussed under "Risk Factors" below.

Arranger and Dealer
WELLS FARGO SECURITIES

The date of this Information Memorandum is 27 March 2026

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IMPORTANT NOTICES

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Information Memorandum and the Pricing Supplement for each Tranche of Notes issued under the Programme and declares that, to the best of its knowledge, the information contained in this Information Memorandum is in accordance with the facts and this Information Memorandum makes no omission likely to affect its import.

No person has been authorized to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any other document entered into in relation to the Programme or any information supplied by the Issuer or the Guarantor and, if given or made, such information or representation should not be relied upon as having been authorized by the Issuer, the Guarantor, the Trustee, the Principal Paying Agent, the ICSD Registrar, any ICSD Transfer Agent, the CMU Lodging and Paying Agent, the CMU Registrar, any CMU Transfer Agent, the CMU U.S. Withholding Tax Administration Agent or any Dealer.

None of the Dealers, the Trustee, the Principal Paying Agent, the ICSD Registrar, any ICSD Transfer Agent, the CMU Lodging and Paying Agent, the CMU Registrar, any CMU Transfer Agent or the CMU U.S. Withholding Tax Administration Agent nor any of their respective affiliates have 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 the Dealers, the Trustee, the Principal Paying Agent, the ICSD Registrar, any ICSD Transfer Agent, the CMU Lodging and Paying Agent, the CMU Registrar, any CMU Transfer Agent or the CMU U.S. Withholding Tax Administration Agent nor any of their respective affiliates as to the accuracy or completeness of the information contained or incorporated by reference in this Information Memorandum or any other information provided by the Issuer or the Guarantor in connection with the Programme or for any acts or omissions of the Issuer, the Guarantor or any other person in connection with the issue and offering of the Notes under the Programme. None of the Dealers, the Trustee, the Principal Paying Agent, the ICSD Registrar, the ICSD Transfer Agent, the CMU Lodging and Paying Agent, the CMU Registrar, the CMU Transfer Agent, the CMU U.S. Withholding Tax Administration Agent or any of their respective affiliates accepts any liability in relation to the information contained or incorporated by reference in this Information Memorandum or any other information provided by the Issuer or the Guarantor in connection with the Programme. Neither the delivery of this Information Memorandum or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Information Memorandum is true subsequent to the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer or the Guarantor since the date thereof or the date upon which this Information Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Each potential investor in the Notes 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 make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes 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 Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(d) understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and

(e) 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.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

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 advisors to determine whether and to what extent: (i) Notes are legal investments for it; (ii) Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The distribution of this Information Memorandum and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum or any Pricing Supplement comes are required by the Issuer, the Guarantor and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Information Memorandum or any Pricing Supplement and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, Notes have not been and will not be registered under the Securities Act. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. U.S. laws and U.S. Treasury guidance apply to Notes issued in bearer form. Additional provisions that may apply to Notes in bearer form will be described in a Drawdown Information Memorandum.

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

Neither this Information Memorandum nor any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Guarantor, the Dealers or any of them that any recipient of this Information Memorandum or any Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Information Memorandum or any Pricing Supplement shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Guarantor.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed U.S.$5,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into U.S. dollars at the date of issue of such Notes (calculated in accordance with the provisions of the Dealer Agreement)). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "*Subscription and Sale*".

In this Information Memorandum, unless otherwise specified, references to a "**Member State**" are references to a Member State of the EEA, references to "**U.S.$**", "**$**", "**U.S. dollars**" or "**dollars**" are to United States dollars, references to "**EUR**" or "**euro**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended, references to "**£**" or "**sterling**" are to the lawful currency for the time being of the United Kingdom (the "**UK**") and all references to "**CNY**", "**CNH**" and "**Renminbi**" are to the lawful currency of the People's Republic of China (the "**PRC**" or "**China**"), excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

In this Information Memorandum, references to "**CMU Notes**" are to Notes denominated in any lawful currency which the Central Moneymarkets Unit Service (the "**CMU**") operated by the Hong Kong

Monetary Authority (the "**HKMA**") accepts for settlement from time to time that are, or are intended to be, cleared through the CMU.

Certain figures included in this Information Memorandum have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

PRODUCT GOVERNANCE UNDER EU MiFID II

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

The Pricing Supplement in respect of any Notes may include a legend entitled "EU MiFID II product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU, as amended ("**EU MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

PRODUCT GOVERNANCE UNDER UK MiFIR

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

IMPORTANT – EEA RETAIL INVESTORS - If the Pricing Supplement in respect of any Notes includes a legend entitled "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 EEA. For these purposes, a 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 EU 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 EU 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 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.

IMPORTANT – UK RETAIL INVESTORS – If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") which applies up to and including 5 April 2026, or (ii) no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") which will

apply from and including 6 April 2026, for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation, applicable up to and including 5 April 2026, or DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024, applicable from and including 6 April 2026.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SFA – The Pricing Supplement in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the "**SFA**"). If applicable, the Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of Section 309B(1)(a) of the SFA. Any such legend included in the Pricing Supplement will constitute notice to "relevant persons" for purposes of Section 309B(1)(c) of the SFA.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) 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 days after the issue date of the relevant Tranche of Notes and 60 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 Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Information Memorandum and the other documents referred to herein, including information incorporated in them by reference may contain forward-looking statements, which may include the Issuer's and/or the Guarantor's forecasts of financial results and condition, the Issuer's and/or the Guarantor's expectations for its operations and business, and the Issuer's and/or Guarantor's assumptions for those forecasts and expectations. The Issuer and/or Guarantor may also make forward-looking statements in other documents filed or furnished with the SEC, the FCA or other regulatory authorities. Forward-looking statements are made by the Issuer and/or the Guarantor when words such as "believe", "expect", "anticipate", "estimate", "project", "forecast", "will", "may", "can" and similar expressions are used. Do not unduly rely on forward-looking statements. Actual results might differ significantly from the Issuer's and/or the Guarantor's forecasts and expectations due to several factors. Forward-looking statements speak only as of the date made, and the Issuer and the Guarantor do not undertake to update them to reflect changes or events that occur after that date that may affect whether those forecasts and expectations continue to reflect management's beliefs or the likelihood that the forecasts and expectations will be realized.

OVERVIEW

This overview must be read as an introduction to this Information Memorandum and any decision to invest in the Notes should be based on a consideration of this Information Memorandum as a whole, including any documents incorporated by reference in this Information Memorandum.

Words and expressions defined in the "Description of the Notes" below or elsewhere in this Information Memorandum have the same meanings in this overview.

Issuer:	Wells Fargo Finance LLC, a direct, wholly-owned finance subsidiary of Wells Fargo & Company.
Guarantor:	Wells Fargo & Company, which is the holding company of a diversified group of financial services companies (collectively, the "**Group**").
Status of Notes:	The Notes will constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured, unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. However, as a finance subsidiary, the Issuer has no independent operations and will have no independent assets. See "*Guarantee*" below. **The Notes are unsecured obligations of the Issuer. The Notes are not deposits or other obligations of a depository institution and are not insured by the FDIC, the Deposit Insurance Fund or any other governmental agency.**
Guarantee:	The Guarantor will fully and unconditionally guarantee, on an unsecured basis, the full and punctual payment of the principal of, interest on, and all other amounts payable under the Notes and the Indenture when the same becomes due and payable, whether at maturity or upon redemption, repayment at the option of Noteholders, upon acceleration or otherwise. If for any reason the Issuer does not make any required payment in respect of the Notes when due, or any and all other amounts due and owing under the Indenture, the Guarantor will on demand pay the unpaid amount at the same place and in the same manner that applies to payments made by the Issuer under the Indenture. The guarantee is of payment and not of collection. The Guarantor's obligations under the Guarantee are unconditional and absolute. However: • the Guarantor will not be liable for any amount of payment that the Issuer is excused from making or any amount in excess of the amount actually due and owing by the Issuer; and • any defenses or counterclaims available to the Issuer (except those resulting solely from, or on account of, the Issuer's insolvency or the Issuer's status as debtor or subject of a bankruptcy or insolvency proceeding) will also be available to the Guarantor to the same extent as these defenses or

	counterclaims are available to the Issuer, whether or not asserted by the Issuer. Noteholders are direct creditors of the Issuer, as well as direct creditors of the Guarantor under the Guarantee. As a finance subsidiary, the Issuer has no independent operations beyond the issuance and administration of its securities and will have no independent assets available for distributions to holders of Notes if they make claims in respect of the Notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by Noteholders will be limited to those available under the Guarantee and that guarantee will rank *pari passu* with all other unsecured, unsubordinated obligations of the Guarantor. Noteholders should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of the Guarantor, including holders of unsecured, unsubordinated debt securities issued by the Guarantor.
Risk Factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer and the Guarantor to fulfill their respective obligations under the Notes and the Guarantee, as applicable, are discussed under "*Risk Factors*" below and include risks relating to the Notes, the Guarantee, the Issuer, the Guarantor and the Group.
Arranger:	Wells Fargo Securities, LLC.
Dealers:	Wells Fargo Securities, LLC, Wells Fargo Securities International Limited and any other Dealer appointed from time to time by the Issuer or the Guarantor either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Trustee, Principal Paying Agent and an ICSD Transfer Agent:	Citibank, N.A., London Branch.
ICSD Registrar:	Citibank Europe plc.
CMU Lodging and Paying Agent, CMU Registrar and a CMU Transfer Agent:	The Bank of New York Mellon, Hong Kong Branch.
CMU U.S. Withholding Tax Administration Agent:	The Bank of New York Mellon.
Pricing Supplement or Drawdown Information Memorandum:	Notes issued under the Programme may be issued either: (i) pursuant to this Information Memorandum and associated Pricing Supplement; or (ii) pursuant to a Drawdown Information Memorandum. The terms applicable to any particular Tranche of Notes will be the "*Description of the Notes*" (including, with respect to Credit Linked Notes, the Credit Linked Terms and with respect to Equity Linked Notes, the Equity Linked Terms) as supplemented, amended and/or replaced to the extent described in the relevant Pricing Supplement or Drawdown Information Memorandum.
Offering:	Notes will only be offered and sold outside the United States to non-U.S. persons in reliance upon Regulation S under the Securities Act.

Listing and Trading: Application may be made for the Notes to be admitted to listing, trading and/or quotation by any stock exchange and/or quotation system, **provided that** such stock exchange and/or quotation system does not constitute a regulated market for the purposes of EU MiFID II or UK MiFIR. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any stock exchange and/or quotation system.

Clearing Systems: Euroclear and/or Clearstream, Luxembourg and/or the CMU and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Pricing Supplement.

Initial Programme Amount: Up to U.S.$5,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time. The Issuer and the Guarantor may increase the amount of the Programme at any time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "*Subscription and Sale*".

Issuance in Series: Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date, issue price and the amount of the first payment of interest may be different in respect of different Tranches.

Forms of Notes: Notes may be issued in bearer form or in registered form. U.S. laws and U.S. Treasury guidance apply to Notes issued in bearer form. Additional provisions that may apply to Notes in bearer form will be described in the relevant Pricing Supplement or Drawdown Information Memorandum.

Notes in bearer form may only be issued to the extent they are classified as being in registered form for U.S. tax purposes.

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Global Bearer Note which is not intended to be issued in new global note form (a "**Classic Global Note**" or "**CGN**"), as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with (a) a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg; (b) in respect of CMU Notes, a sub-custodian for the CMU and/or (c) any other relevant clearing system and each Global Bearer Note which is intended to be issued in new global note form (a "**New Global Note**" or "**NGN**"), as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have related interest coupons ("**Coupons**") attached and, if appropriate, a Talon for further Coupons.

Each Tranche of Registered Notes will initially be represented by a Global Registered Note and will either be: (i) in the case of a Global Registered Note which is not to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), either (a) registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg; (b) in respect of CMU Notes, a sub-custodian for the CMU; and/or (c) any other relevant

clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary; or (ii) in the case of a Global Registered Note to be held under the New Safekeeping Structure, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Each Global Registered Note is exchangeable in accordance with its terms for Individual Note Certificates.

Registered Notes will not be exchangeable for Bearer Notes and *vice versa*.

Currencies: Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Issue Price: Notes may be issued at any price as specified in the relevant Pricing Supplement. The price and amount of Notes to be issued under the Programme will be determined by the Issuer, the Guarantor and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Maturities: Such maturity as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s), subject to such minimum or maximum maturities as may be allowed or required from time to time by the Bank of England (or equivalent body) or any laws or regulations applicable to the Issuer, the Guarantor or the relevant currency.

Any Notes having a maturity of less than one year must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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; or (ii) be issued in other circumstances which do not constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") by the Issuer or the Guarantor.

Redemption: Notes may be redeemable at par or at such other redemption amount (detailed in a formula, index or otherwise) as may be specified in the relevant Pricing Supplement. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Pricing Supplement.

Credit Linked Notes: Notes may be issued with respect to which payment of principal and interest is linked to the credit of a specified entity or entities. If the Conditions to Settlement are satisfied during the Notice Delivery Period, each such Note will be redeemed by either the payment of the Credit Event Redemption Amount (if Cash Settlement applies) or by Delivery of the Deliverable Obligations comprising the Entitlement (if Physical Delivery applies).

Equity Linked Notes:	Notes may be issued with respect to which the payment of principal and interest is linked to the value of shares in an individual company or a basket of shares of several companies.
Optional Redemption:	Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or at the option of the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement. If so specified in the relevant Pricing Supplement, the Issuer may exercise a make whole call option or a Clean-up Call Option. If so specified in the relevant Pricing Supplement, the Issuer may redeem or repurchase the Notes only if it has obtained regulatory consent, if such consent is then required for the redemption or repurchase of the relevant Notes.
Tax Redemption:	Early redemption will be permitted for tax reasons as described in "*Redemption and Purchase - Redemption for Tax Reasons*".
Negative Pledge:	None.
Cross Default:	None.
Interest:	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate, a floating rate or another variable rate or may be index-linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
Denominations:	Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements and the regulations of the applicable securities system in which the Notes are issued **provided that** Notes which are offered to the public either in a Member State or in the UK will only be issued in minimum denominations of at least EUR100,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency).
Taxation:	All payments in respect of Notes which are made net of withholding taxes of the United States of America will (subject to the exceptions and limitations as provided in "*Taxation*") be increased by such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required. Each holder of CMU Notes or an interest therein, by acceptance of such CMU Notes or such interest in such CMU Notes, will be deemed to have agreed to provide the CMU Lodging and Payment Agent and the CMU U.S. Withholding Tax Administration Agent with the Holder Tax Identification Information and Holder FATCA Information. In addition, each holder of CMU Notes will be required or deemed to understand and acknowledge that the CMU Lodging and Paying Agent has the right, under the Indenture, to withhold interest payable with respect to any CMU Notes (without any corresponding gross-up) if any beneficial owner of an interest in such CMU Notes fails to comply with the foregoing requirements.
Governing Law:	The Notes and the Indenture are governed by and construed in accordance with the laws of the State of New York, United States.
Ratings:	Notes issued under the Programme may be rated or unrated. A rating is not a recommendation to buy, hold or sell securities and may be subject to suspension, modification or withdrawal at any time.

Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the EEA, the UK, PRC, Hong Kong, Taiwan, Japan and Singapore see "*Subscription and Sale*".
LEI of the Issuer:	549300B4EK2P191S8U08
LEI of the Guarantor:	PBLD0EJDB5FWOLXP3B76
Website of the Issuer/Guarantor:	https://www.wellsfargo.com/

RISK FACTORS

Investing in Notes issued under the Programme involves certain risks. The Issuer and the Guarantor believe that the factors described below represent the principal risks that may affect their ability to fulfill their respective obligations under the Notes issued under the Programme and the Guarantee, as applicable, which may in turn result in investors losing all or part of the value of their investment in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes, and the inability of the Guarantor to make payments under the Guarantee, may occur for other reasons which may not be considered significant risks by the Issuer or the Guarantor based on information currently available to them or which they may not currently be able to anticipate, and the Issuer and the Guarantor do not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in, or incorporated by reference in, this Information Memorandum and the relevant Pricing Supplement and reach their own views prior to making any investment decision.

An investment in the Notes involves risk, including the possibility that the value of the investment could fall substantially and distributions on the investment could be reduced or eliminated. The below are risk factors that could adversely affect the Group's financial results and condition, and the value of, and return on, an investment in the Notes.

Words and expressions defined in the "Description of the Notes" below or elsewhere in this Information Memorandum have the same meanings in this section.

RISKS RELATING TO THE ISSUER

As a finance subsidiary, the Issuer has no independent operations and will have no independent assets

As a finance subsidiary, the Issuer has no independent operations beyond the issuance and administration of its securities and will have no independent assets available for distributions to holders of Notes if they make claims in respect of the Notes in a bankruptcy, resolution or similar proceeding.

Accordingly, any recoveries by such holders will be limited to those available under the Guarantee and that guarantee will rank *pari passu* with all other unsecured, unsubordinated obligations of the Guarantor. Noteholders will have recourse only to a single claim against the Guarantor and its assets under the Guarantee. Noteholders should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of the Guarantor, including holders of unsecured, unsubordinated debt securities issued by the Guarantor.

RISKS RELATING TO THE GUARANTOR AND ITS BUSINESS

Economic, financial markets, interest rates and liquidity risks

The Group's financial results have been, and will continue to be, materially affected by general economic conditions, and a deterioration in economic conditions or in the financial markets may materially adversely affect the Group's lending and other businesses and its financial results and condition

The Group generates revenue from the interest and fees it charges on the loans and other products and services it sells, and a substantial amount of its revenue and earnings comes from the net interest income and fee income that it earns from its consumer and commercial lending and banking businesses. These businesses have been, and will continue to be, materially affected by the state of the U.S. economy, particularly unemployment levels and home prices. The negative effects and continued uncertainty stemming from U.S. fiscal, monetary and political matters, including concerns about deficit and debt levels, inflation, taxes and U.S. debt ratings, have impacted and may continue to impact the global economy.

Moreover, geopolitical matters, including international political unrest or disturbances, hostilities, wars and terrorist activities, as well as continued concerns over commodity prices, tariffs or other restrictions on international trade and corresponding retaliatory measures, and global economic difficulties, may impact the stability of financial markets and the global economy. Any impacts to the global economy could have a similar impact to the U.S. economy. A prolonged period of slow growth in the global economy or any deterioration in general economic conditions and/or the financial markets resulting from

the above matters or any other events or factors that may disrupt or weaken the U.S. or global economy, could materially adversely affect the Group's financial results and condition.

A weakening in business or economic conditions, including higher unemployment levels or declines in home prices, as well as higher interest rates, can also adversely affect the Group's customers' ability to repay their loans or other obligations, which can increase the Group's credit losses. If unemployment levels worsen or if home prices fall the Group would expect to incur elevated charge-offs and provision expense from increases in its allowance for credit losses. These conditions may adversely affect not only consumer loan performance but also commercial and commercial real estate ("**CRE**") loans, especially for those business borrowers that rely on the health of industries that may experience deteriorating economic conditions. The ability of these and other borrowers to repay their loans may deteriorate, causing the Group, as one of the largest commercial and CRE lenders in the U.S., to incur significantly higher credit losses. In addition, weak or deteriorating economic conditions make it more challenging for the Group to increase its consumer and commercial loan portfolios by making loans to creditworthy borrowers at attractive yields.

Furthermore, weak economic conditions, as well as competition and/or increases in interest rates, could soften demand for the Group's loans resulting in its retaining a much higher amount of lower yielding liquid assets on its consolidated balance sheet. If economic conditions worsen and unemployment rises, which also would likely result in a decrease in consumer and business confidence and spending, the demand for the Group's products, including the Group's consumer and commercial loans, may fall, reducing its interest and non-interest income and its earnings.

A deterioration in business and economic conditions, which may erode consumer and investor confidence levels, and/or increased volatility of financial markets, also could adversely affect financial results for the Group's fee-based businesses, including its investment advisory, securities brokerage, wealth management, markets and investment banking businesses. For example, because investment advisory fees are often based on the value of assets under management, a fall in the market prices of those assets could reduce the Group's fee income. Changes in stock market prices could affect the trading activity of investors, reducing commissions and other fees the Group earns from its brokerage business. In addition, adverse market conditions may negatively affect the performance of products that the Group has provided to customers, which may expose the Group to legal actions or additional costs. Poor economic conditions and volatile or unstable financial markets also can negatively affect the Group's debt and equity underwriting and advisory businesses, as well as its venture capital business and trading activities, including through increased counterparty credit risk. Any deterioration in global financial markets and economies, including as a result of any geopolitical matters or unrest, may adversely affect the revenue and earnings of the Group's international operations, particularly its global financial institution and correspondent banking services.

Changes in interest rates and financial market values could reduce the Group's net interest income and earnings, as well as its other comprehensive income, including as a result of recognizing losses on the debt and equity securities that it holds in its portfolio or trades for its customers

Changes in either the Group's net interest margin or the amount or mix of earning assets it holds could affect the Group's net interest income and earnings. Changes in interest rates can affect the Group's net interest margin. Although the yield the Group earns on its assets and the funding costs of its liabilities tend to move in the same direction in response to changes in interest rates, one can rise or fall faster than the other, causing the Group's net interest margin to expand or contract. If the Group's funding costs rise faster than the yield it earns on its assets or if the yield it earns on its assets falls faster than its funding costs, its net interest margin tends to contract.

The amount and type of earning assets the Group holds can affect its yield and net interest income. The Group holds earning assets in the form of loans and debt and equity securities, among other assets. As noted above, if the economy worsens the Group may see lower demand for loans by creditworthy customers, reducing its yield and net interest income. In addition, the Group's net interest income and net interest margin can be negatively affected by a prolonged period of low interest rates as it may result in the Group holding lower yielding loans and securities on its consolidated balance sheet, particularly if it is unable to replace the maturing higher yielding assets with similar higher yielding assets. A prolonged period of high interest rates, however, may continue to negatively affect loan demand and could result in higher credit losses as borrowers may have more difficulty making higher interest payments. Similarly, a prolonged period of high interest rates may increase its funding costs, including the rates it pays on

customer deposits. As described below, changes in interest rates also affect the Group's mortgage business, including the value of its mortgage servicing rights ("**MSRs**").

Changes in the slope of the yield curve – or the spread between short-term and long-term interest rates – could also reduce the Group's net interest income and net interest margin. Normally, the yield curve is upward sloping, meaning short-term rates are lower than long-term rates. When the yield curve flattens or inverts, the Group's net interest income and net interest margin could decrease if the cost of its short-term funding increases relative to the yield the Group can earn on its long-term assets. Moreover, a negative interest rate environment, in which interest rates drop below zero, could reduce the Group's net interest income and net interest margin due to a likely decline in the interest it could earn on loans and other earning assets, while also likely requiring the Group to pay to maintain its deposits with the Board of Governors of the Federal Reserve System (the "**Federal Reserve Board**" or "**FRB**").

The Group assesses its interest rate risk by estimating the effect on its earnings under various scenarios that differ based on assumptions about the direction, magnitude and speed of interest rate changes and the slope of the yield curve. The Group may hedge some of that interest rate risk with interest rate derivatives. The Group generally does not hedge all of its interest rate risk, and it may not be successful in hedging any of the risk. Hedging involves inherent limitations, and the Group could recognize lower net interest income as a result of its hedging activities. There is always the risk that changes in interest rates, credit spreads or option volatility could reduce the Group's net interest income and earnings, as well as its other comprehensive income, in material amounts, especially if actual conditions turn out to be materially different than what the Group assumed. For example, if interest rates rise or fall faster than the Group assumed or the slope of the yield curve changes, the Group may experience significant losses, including unrealized losses, on debt securities in its portfolio. To reduce the Group's interest rate risk, it may rebalance its portfolios of debt securities and loans, refinance its debt, adjust its hedging strategies, or take other strategic actions. The Group may incur losses when it takes such actions. In addition, changes in interest rates can result in increased basis risk, which could limit the effectiveness of the Group's hedging activities.

The Group has a significant number of assets and liabilities, such as commercial loans, adjustable-rate mortgage loans, derivatives, debt securities, and long-term debt, referenced to benchmark rates, such as the Secured Overnight Financing Rate ("**SOFR**"), or other financial metrics. If any such benchmark rate or other referenced financial metric is significantly changed, replaced or discontinued, or ceases to be recognized as an acceptable market benchmark rate or financial metric, there may be uncertainty or differences in the calculation of the applicable interest rate or payment amount depending on the terms of the governing instrument. This could impact the financial performance of previously recorded transactions, result in losses on financial instruments the Group holds, require different hedging strategies, result in ineffective hedges or increased basis risk on existing hedges, impact the overall interest rate environment and the availability or cost of funding transactions, affect the Group's capital and liquidity planning and management, or have other adverse financial consequences. It may also result in significant operational, systems, or other practical challenges, increased compliance and operational costs, legal or regulatory proceedings, reputational harm, or other adverse consequences.

Because of changing economic and market conditions, as well as credit ratings, affecting issuers and the performance of any underlying collateral, the Group may be required to recognize impairment in future periods on the securities it holds. Furthermore, the value of the debt securities the Group holds can fluctuate due to changes in interest rates, issuer creditworthiness, and other factors. The Group's net income also is exposed to changes in interest rates, credit spreads, foreign exchange rates, and equity and commodity prices in connection with its trading activities, which are conducted primarily to accommodate the investment and risk management activities of its customers, as well as when it executes economic hedging to manage certain balance sheet risks. Trading assets, such as trading debt and trading equity securities, are carried at fair value with realized and unrealized gains and losses recognized in non-interest income. As part of the Group's business to support its customers, the Group trades public debt and equity securities and other financial instruments that are subject to market fluctuations with gains and losses recognized in net income. In addition, although high market volatility can increase the Group's exposure to trading-related losses, periods of low volatility may have an adverse effect on its businesses as a result of reduced customer activity levels. Although the Group has processes in place to measure and monitor the risks associated with its trading activities, including stress testing and hedging strategies, there can be no assurance that its processes and strategies will be effective in avoiding losses that could have a material adverse effect on its financial results.

The value of the Group's marketable and non-marketable equity securities can fluctuate from quarter to quarter. Marketable equity securities are carried at fair value with unrealized gains and losses reflected in earnings. Non-marketable equity securities are carried under the cost method, equity method, proportional amortization method or measurement alternative, while others are carried at fair value with unrealized gains and losses reflected in earnings. Earnings from the Group's equity securities portfolio may be volatile and hard to predict, and may have a significant effect on its earnings from period to period.

When, and if, the Group recognizes gains may depend on a number of factors, including general economic and market conditions, the prospects of the companies in which the Group invests, when a company goes public, the size of the Group's position relative to the public float, and whether the Group is subject to any resale restrictions.

Non-marketable equity securities include the Group's venture capital and private equity investments that could result in significant impairment losses for those investments carried under the measurement alternative or equity method. If the Group recognizes an impairment for an investment, the Group writes-down the carrying value of the investment to fair value, resulting in a charge to earnings, which could be significant.

Effective liquidity management is essential for the operation of the Group's business, and its financial results and condition could be materially adversely affected if it does not effectively manage its liquidity

The Group primarily relies on customer deposits to be a low-cost and stable source of funding for the loans it makes and the operation of its business. In addition to customer deposits, the Group's sources of liquidity include certain debt and equity securities, its ability to sell or securitize loans in secondary markets and to pledge loans to access secured borrowing facilities through the Federal Home Loan Bank ("**FHLB**") and the FRB, and its ability to raise funds in domestic and international money through capital markets.

The Group's liquidity and its ability to fund and run its business could be materially adversely affected by a variety of conditions and factors. These include financial and credit market disruption and volatility or a lack of market or customer confidence in financial markets in general similar to that which occurred during the financial crisis in 2008 and early 2009, which may result in a loss of customer deposits, outflows of cash or collateral, an inability to access capital markets on favorable terms, or other adverse effects on the Group's liquidity and funding. The financial system also experienced disruption and volatility in early 2023 due to the failure of several banks, and further episodes of disruption, volatility or other adverse market conditions may occur if there are additional instances of actual or threatened bank failures. Market disruption and volatility could also impact the Group's credit spreads, which are the amounts in excess of the interest rate of U.S. Treasury securities, or other benchmark securities, of the same maturity that it needs to pay to its funding providers. Increases in interest rates and the Group's credit spreads could significantly increase its funding costs.

Other conditions and factors that could materially adversely affect the Group's liquidity and funding include a lack of market or customer confidence in the Group or negative news about the Group or the financial services industry generally which also may result in a loss of deposits and/or negatively affect the Group's ability to access the capital markets; any inability to sell or securitize loans or other assets; disruptions or volatility in the market for securities repurchase agreements, or any inability to effectively access the market for securities repurchase agreements, which also may increase the Group's short-term funding costs; regulatory requirements or restrictions, including changes to regulatory capital or liquidity requirements; unexpectedly high or accelerated customer draws on lines of credit; any inability to access secured borrowing facilities through the FHLB or FRB, or any negative perception in the market created by accessing these facilities; and, as described below, reductions in one or more of the Group's credit ratings. Many of the above conditions and factors may be caused by events over which the Group has little or no control. Similarly, the speed with which information is disseminated and the speed with which customers can withdraw funds in response to information may also contribute to a faster and greater loss of deposits, particularly uninsured or non-operational deposits, as well as other adverse effects on liquidity or funding, similar to what contributed to the failure of several banks in early 2023. There can be no assurance that significant disruption and volatility in the financial markets will not occur in the future. For example, concerns over geopolitical issues, commodity and currency prices, trade policies, as well as global economic conditions, may cause financial market volatility.

In addition, concerns regarding U.S. government debt levels, including any potential failure to raise the debt limit, and any downgrade of U.S. government debt ratings may cause uncertainty and volatility as well. A downgrade of the sovereign debt ratings of the U.S. government or the debt ratings of related institutions, agencies or instrumentalities, as well as other fiscal or political events could, in addition to causing economic and financial market disruptions, materially adversely affect the market value of the U.S. government securities or federal agency mortgage-backed securities that the Group holds, the availability of those securities as collateral for borrowing, and the Group's ability to access capital markets on favorable terms, as well as have other material adverse effects on the operation of its business and its financial results and condition.

As noted above, the Group relies heavily on customer deposits for its funding and liquidity. The Group competes for deposits with banks and with other companies that offer alternative products. If the Group's competitors raise the rates they pay on deposits, the Group's funding costs may increase, either because the Group raises its rates to avoid losing deposits or because the Group loses deposits and must rely on more expensive sources of funding. Checking and savings account balances and other forms of customer deposits may decrease when customers perceive other assets or investment opportunities, such as stocks, bonds, money market mutual funds, or digital assets, as providing a better risk/return tradeoff. When customers move money out of bank deposits and into other assets or investments, the Group may lose a relatively low-cost source of funds, thereby increasing its funding costs and negatively affecting its liquidity.

If the Group is unable to continue to fund its assets through customer deposits or access capital markets on favorable terms, if there are changes to the Group's regulatory capital or liquidity requirements, or if the Group suffers an increase in its borrowing costs or otherwise fails to manage its liquidity effectively (including on an intra-day or intra-affiliate basis), the Group's liquidity, net interest margin, and financial results and condition may be materially adversely affected. As the Guarantor did during the financial crisis in 2009, it may also need, or be required by its regulators, to raise additional capital through the issuance of common stock, which could dilute the ownership of existing stockholders, or reduce or even eliminate its common stock dividend to preserve capital or to raise additional capital.

Adverse changes in the Group's credit ratings could have a material adverse effect on its liquidity, cash flows, and financial results and condition

The Group's borrowing costs and ability to obtain funding are influenced by its credit ratings. Reductions in one or more of the Group's credit ratings could adversely affect its ability to borrow funds and raise the costs of its borrowings substantially and could cause creditors and business counterparties to raise collateral requirements or take other actions that could adversely affect the Group's ability to raise funding. Credit ratings and credit ratings agencies' outlooks are based on the ratings agencies' analysis of many quantitative and qualitative factors, including the Group's capital adequacy, liquidity, asset quality, business mix, the level and quality of its earnings, and rating agency assumptions regarding the probability and extent of federal financial assistance or support. In addition to credit ratings, the Group's borrowing costs are affected by various other external factors, including market volatility and concerns or perceptions about the financial services industry generally. There can be no assurance that the Group will maintain its credit ratings and outlooks and that credit rating downgrades in the future would not have a material adverse effect on its ability to borrow funds and borrowing costs.

Downgrades in the Group's credit ratings also may trigger additional collateral or funding obligations which, depending on the severity of the downgrade, could have a material adverse effect on the Group's liquidity, including as a result of credit-related contingent features in certain of the Group's derivative contracts.

The Guarantor relies on dividends from its subsidiaries for liquidity, and federal and state law, regulatory requirements, and certain contractual arrangements can limit those dividends

The Guarantor is a separate and distinct legal entity from its subsidiaries. It receives substantially all of its funding and liquidity from dividends and other distributions from its subsidiaries. The Guarantor generally uses these dividends and distributions, among other things, to pay dividends on its common and preferred stock and interest and principal on its debt and fulfill its obligations under guarantees of debt, such as the Guarantee of the Notes.

Federal and state laws limit the amount of dividends and distributions that the Guarantor's bank and some of its non-bank subsidiaries, including its broker-dealer subsidiaries, may pay to the Guarantor. Similarly,

as part of their supervisory authority, regulators may limit or restrict subsidiary capital distributions. In addition, as part of the Guarantor's resolution planning efforts, the Guarantor has entered into a Support Agreement dated 28 June 2017, as amended and restated on 26 June 2019 (the "**Support Agreement**"), among the Guarantor, WFC Holdings, LLC, an intermediate holding company and subsidiary of the Guarantor (the "**IHC**"), Wells Fargo Bank, N.A. (the "**Bank**"), Wells Fargo Securities, LLC ("**WFS**"), Wells Fargo Clearing Services, LLC ("**WFCS**"), and certain other subsidiaries of the Guarantor designated from time to time as material entities for resolution planning purposes (the "**Covered Entities**") or identified from time to time as related support entities in the Guarantor's resolution plan (the "**Related Support Entities**"). Pursuant to the Support Agreement, the IHC may be restricted from making dividend payments to the Guarantor if certain liquidity and/or capital metrics fall below defined triggers or if the Guarantor's board of directors authorizes it to file a case under the U.S. Bankruptcy Code. Also, the Guarantor's right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors.

Regulatory Risks

Current and future legislation and/or regulation could require the Group to change certain of its business practices, reduce its revenue and earnings, impose additional costs on the Group or otherwise adversely affect the Group's business operations and/or competitive position

The Guarantor, its subsidiary banks and many of its non-bank subsidiaries such as those related to its brokerage business, are subject to significant and extensive regulation under state and federal laws in the U.S., as well as the applicable laws of the various jurisdictions outside of the U.S. where they conduct business. These regulations generally protect depositors, the federal deposit insurance fund, consumers, investors, employees, or the banking and financial system as a whole, not necessarily the Guarantor's security holders.

Economic, market and political conditions during the past few years have led to a significant amount of legislation and regulation in the U.S. and abroad affecting the financial services industry, as well as heightened expectations and scrutiny of financial services companies from banking regulators. These laws and regulations may continue to affect the manner in which the Group does business and the products and services that it provides, affect or restrict its ability to compete in its current businesses or its ability to enter into or acquire new businesses, reduce or limit its revenue, affect its compliance and risk management activities, limit subsidiary capital distributions, increase its capital or liquidity requirements, impose additional fines or assessments on the Group, intensify the regulatory supervision of the Group and the financial services industry, and adversely affect the Group's business operations or have other negative consequences. The Group's businesses and revenue in non-U.S. jurisdictions are also subject to risks from political, economic and social developments in those jurisdictions, including sanctions or business restrictions, asset freezes or confiscation, unfavorable political or diplomatic developments, or financial or social instability. In addition, changes to tax laws, regulations, and guidance may negatively impact the Group's effective income tax rate, financial results, or the amount of any tax assets or liabilities. Furthermore, greater government oversight and scrutiny of the Group, as well as financial services companies generally, has increased the Group's operational and compliance costs as it must continue to devote substantial resources to enhancing its procedures and controls and meeting heightened regulatory standards and expectations. Regulatory authorities have also focused on financial institutions' policies and practices for providing, maintaining or discontinuing financial products or services to customers or potential customers. Any failure to meet regulatory requirements, standards or expectations, either in the U.S. or in non-U.S. jurisdictions, could continue to result in significant fines, penalties, restrictions on certain business activities, reputational harm, or other adverse consequences.

The Group's consumer businesses, including its mortgage, auto, credit card and other consumer lending and non-lending businesses, are subject to numerous and, in many cases, highly complex consumer protection laws and regulations, as well as regulatory examinations and/or investigations. In particular, evolving state and federal rules and requirements may continue to increase the Group's compliance costs, limit the fees the Group can receive for certain products and services, and require changes in the Group's business practices, which could limit or negatively affect the Group's earnings as well as the products and services that it offers its customers. If the Group fails to meet regulatory requirements and expectations with respect to its consumer businesses, it may be subject to increased costs, fines, penalties, restrictions on its business activities including the products and services it can provide, reputational harm, or other adverse consequences.

The Group is also subject to various rules and regulations related to the prevention of financial crimes and combating terrorism, including the USA PATRIOT Act of 2001. These rules and regulations require the Group to, among other things, implement policies and procedures related to anti-money laundering, anti-bribery and corruption, economic sanctions, suspicious activities, currency transaction reporting and due diligence on customers. Although the Group has policies and procedures designed to comply with these rules and regulations, to the extent they are not fully effective or do not meet regulatory standards or expectations, the Group may be subject to fines, penalties, restrictions on certain business activities, reputational harm, or other adverse consequences.

The Group's businesses are also subject to laws and regulations enacted by U.S. and non-U.S. regulators and governmental authorities relating to the privacy of the information of customers, employees and others. These laws and regulations, among other things, increase the Group's compliance obligations; have a significant impact on the Group's businesses' collection, processing, sharing, use, and retention of personal data and reporting of data breaches; and provide for significant penalties for non-compliance.

In addition, the Group is subject to regulatory actions, including the Bank's September 2024 formal agreement with the Office of the Comptroller of the Currency (the "**OCC**") regarding anti-money laundering and sanctions risk management practices. Addressing these and other regulatory actions and expectations is an ongoing process, and the Group could continue to experience issues or delays along the way in satisfying their requirements. The Group also could continue to identify more issues in the future.

The Group may be subject to further actions, including the imposition of additional consent orders, regulatory agreements or civil money penalties. Regulators have indicated the potential for escalating consequences for banks that do not timely resolve open issues or have repeat issues. Furthermore, issues or delays in satisfying the requirements of a regulatory action could affect the Group's ability to satisfy others. Failure to satisfy the requirements of a regulatory action on a timely basis has resulted and could in the future result in additional fines, penalties, business restrictions, limitations on subsidiary capital distributions, increased capital or liquidity requirements, enforcement actions, and other adverse consequences, which could be significant. Compliance with the September 2024 OCC formal agreement and any other consent orders or regulatory actions, as well as the implementation of their requirements, may continue to increase the Group's costs, require the Group to reallocate resources away from growing its existing businesses, subject the Group to business restrictions, negatively impact the Group's capital and liquidity, require the Group to undertake significant changes to its business, operations, products and services, and risk management practices and subject the Group to other adverse consequences.

Any future legislation, rule and/or regulation or any change in regulatory expectations also could significantly affect the Group's regulatory environment, increase its cost of doing business, limit the activities it may pursue, impact the Group's competitive landscape, and have a material adverse effect on the Group's financial results and condition.

The Group could be subject to more stringent capital, leverage or liquidity requirements or restrictions on its growth, activities or operations if regulators determine that the Group's resolution or recovery plan is deficient

Pursuant to rules adopted by the FRB and the FDIC, the Group prepares and periodically submits resolution plans, also known as "living wills", designed to facilitate the Group's rapid and orderly resolution in the event of material financial distress or failure. There can be no assurance that the FRB or FDIC will respond favorably to the Group's resolution plans. If the FRB and FDIC determine that the Group's resolution plan has deficiencies, they may impose more stringent capital, leverage or liquidity requirements on the Group or restrict the Group's growth, activities or operations until it adequately remedies the deficiencies. If the FRB and FDIC ultimately determine that the Group has been unable to remedy any deficiencies, they could require the Group to divest certain assets or operations.

In addition to resolution plans, the Group must also prepare and periodically submit to the FRB a recovery plan that identifies a range of options that the Group may consider during times of idiosyncratic or systemic economic stress to remedy any financial weaknesses and restore market confidence without extraordinary government support. The Group must also prepare and periodically submit to the OCC a recovery plan. If either the FRB or the OCC determines that the Group's recovery plan is deficient, they may impose fines, restrictions on the Group's business or ultimately require it to divest assets.

Holders of the Notes may suffer losses in a resolution of the Group even if creditors of the Guarantor's subsidiaries are paid in full

If the Group were to fail, it may be resolved in a bankruptcy proceeding or, if certain conditions are met, under the resolution regime created by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") known as the "orderly liquidation authority", which allows for the appointment of the FDIC as receiver. The FDIC's orderly liquidation authority requires that security holders of a company in receivership bear all losses before U.S. taxpayers are exposed to any losses. There are substantial differences in the rights of creditors between the orderly liquidation authority and the U.S. Bankruptcy Code, including the right of the FDIC to disregard the strict priority of creditor claims under the U.S. Bankruptcy Code in certain circumstances and the use of an administrative claims procedure instead of a judicial procedure to determine creditors' claims.

The strategy described in the Group's most recent resolution plan is a single point of entry strategy, in which the Guarantor would be the only material legal entity to enter resolution proceedings. However, the strategy described in its resolution plan is not binding in the event of an actual resolution of the Group.

To facilitate the orderly resolution of the Group, the Guarantor entered into the Support Agreement, pursuant to which the Guarantor transferred a significant amount of its assets to the IHC and will continue to transfer assets to the IHC from time to time. In the event of the Group's material financial distress or failure, the IHC will be obligated to use the transferred assets to provide capital and/or liquidity to the Bank and certain other direct and indirect subsidiaries of the Guarantor. Under the Support Agreement, the IHC will also provide funding and liquidity to the Guarantor through subordinated notes and a committed line of credit. If certain liquidity and/or capital metrics fall below defined triggers, or if the Guarantor's board of directors authorizes it to file a case under the U.S. Bankruptcy Code, the subordinated notes would be forgiven, the committed line of credit would terminate, and the IHC's ability to pay dividends to the Guarantor would be restricted, any of which could materially and adversely impact the Guarantor's liquidity and its ability to satisfy its debts and other obligations, such as those under the Guarantee of the Notes, and could result in the commencement of bankruptcy proceedings by the Guarantor at an earlier time than might have otherwise occurred if the Support Agreement were not implemented.

Any resolution of the Group will likely impose losses on shareholders, unsecured debt holders and other creditors of the Guarantor (including holders of the Notes), while the Guarantor's subsidiaries may continue to operate. Creditors of some or all of the Guarantor's subsidiaries may receive significant or full recoveries on their claims, while the Guarantor's security holders and creditors (including holders of the Notes) could face significant or complete losses. This outcome may arise whether the Group is resolved under the U.S. Bankruptcy Code or by the FDIC under the orderly liquidation authority, and whether the resolution is conducted using a single point of entry strategy or using a multiple point of entry strategy, in which the Guarantor and one or more of its subsidiaries would each undergo separate resolution proceedings. Furthermore, in a single point of entry or multiple point of entry strategy, losses at some or all of the Guarantor's subsidiaries could be transferred to the Guarantor and borne by holders of the Notes in respect of claims under the Guarantee. Moreover, if either resolution strategy proved to be unsuccessful, the Guarantor's security holders could face greater losses than if the strategy had not been implemented.

Regulatory rules and requirements may impose higher capital and liquidity levels, limiting the Guarantor's ability to pay common stock dividends, repurchase its common stock, invest in its business, or provide loans or other products and services to its clients

The Group and each of its insured depository institutions ("**IDIs**") are subject to various regulatory capital adequacy requirements administered by federal banking regulators. In particular, the Group is subject to rules issued by federal banking regulators to implement Basel III risk-based capital requirements for U.S. banking organizations. These capital rules, among other things, establish required minimum ratios relating capital to different categories of assets and exposures. Federal banking regulators have also imposed a leverage ratio and a supplementary leverage ratio on large bank holding companies ("**BHCs**") like the Guarantor and its IDIs. The FRB has also issued rules to address the amount of equity and unsecured long-term debt a U.S. global systemically important bank ("**G-SIB**") must hold to improve its resolvability and resiliency, often referred to as total loss absorbing capacity ("**TLAC**"). Similarly, federal banking regulators have issued rules that implement a liquidity coverage ratio and a net stable funding ratio.

In addition, as part of imposing enhanced capital and risk management standards on large financial firms, the FRB has issued a capital plan rule that establishes capital planning and other requirements that govern

capital distributions, including dividends and share repurchases, by certain BHCs, including the Guarantor. The FRB also has a number of regulations implementing enhanced prudential requirements for large BHCs like the Guarantor regarding risk-based capital and leverage, risk and liquidity management, single counterparty credit limits, and imposing debt-to-equity limits on any BHC that regulators determine poses a grave threat to the financial stability of the United States. The FRB and OCC also have rules implementing stress testing requirements for large BHCs and national banks. Furthermore, the FRB has established expectations regarding effective boards of directors of large BHCs. The OCC, under separate authority, has also established heightened governance and risk management standards for large national banks, such as the Bank.

The Basel standards and federal regulatory capital, leverage, liquidity, TLAC, capital planning, and other requirements may limit or otherwise restrict how the Group utilizes its capital, including the Guarantor's common stock dividends and stock repurchases, and may require the Group to increase its capital and/or liquidity. Any requirement that the Group increase its regulatory capital, regulatory capital ratios or liquidity, including due to changes in regulatory requirements, such as from the anticipated proposal to revise the Basel standards in the U.S., changes in regulatory interpretations regarding risk-weighted asset calculation methodologies, including the impact from securitizations of credit risk, or as a result of business growth, acquisitions or a change in the Group's risk profile, could increase the Group's funding costs, reduce its flexibility to source or deploy funding, or require the Group to liquidate assets or otherwise change its business, product offerings and/or investment plans, which may negatively affect its financial results. Although not currently anticipated, new capital requirements and/or the Group's regulators may require the Group to raise additional capital in the future. Issuing additional common stock may dilute the ownership of existing stockholders. In addition, federal banking regulations may continue to increase the Group's compliance costs as well as limit its ability to invest in its business or provide loans or other products and services to its customers.

FRB policies, including policies on interest rates, can significantly affect business and economic conditions and the Group's financial results and condition

The FRB regulates the supply of money in the United States. Its policies determine in large part the Group's cost of funds for lending and investing and the return the Group earns on those loans and investments, both of which affect the Group's net interest income and net interest margin. The FRB's interest rate policies also can materially affect the value of financial instruments the Group holds, such as debt securities. In addition, its policies can affect the Group's borrowers, potentially increasing the risk that they may fail to repay their loans.

Changes in FRB policies, including its target range for the federal funds rate or actions taken to increase or decrease the size of its balance sheet, are beyond the Group's control and can be hard to predict. As noted above, changes in the interest rate environment and yield curve which may result from the FRB's actions could negatively affect the Group's net interest income and net interest margin.

Credit risks

Increased credit risk, including as a result of a deterioration in economic conditions or changes in market conditions, could require the Group to increase its provision for credit losses and allowance for credit losses and could have a material adverse effect on its results of operations and financial condition

When the Group loans money or commits to loan money it incurs credit risk, or the risk of losses if its borrowers do not repay their loans. As one of the largest lenders in the U.S., the credit performance of the Group's loan portfolios significantly affects its financial results and condition. The Group also incurs credit risk in connection with trading and other activities. As noted above, if the economic environment were to deteriorate, more of the Group's customers and counterparties may have difficulty in repaying their loans or other obligations which could result in a higher level of credit losses and provision for credit losses. The Group reserves for credit losses by establishing an allowance through a charge to earnings. The amount of this allowance is based on the Group's assessment of expected credit losses over the anticipated life of its loan portfolio (including unfunded credit commitments). The process for determining the amount of the allowance is critical to the Group's financial results and condition. It requires difficult, subjective, and complex judgments about the future, including forecasts of economic or market conditions that might impair the ability of the Group's borrowers to repay their loans. The Group might increase the allowance because of changing economic conditions, including falling residential or commercial real estate values,

higher unemployment or inflation, significant loan growth, changes in consumer behavior or other market conditions that adversely affect borrowers, or other factors.

Additionally, the regulatory environment or external factors, such as natural disasters, disease pandemics such as COVID-19, political or social matters, or trade policies, also can continue to influence recognition of credit losses in the Group's loan portfolios and impact its allowance for credit losses.

Future allowance levels may increase or decrease based on a variety of factors, including loan balance changes, portfolio credit quality and mix changes, and changes in general economic conditions. While the Group believes that its allowance for credit losses was appropriate at 31 December 2025, there is no assurance that it will be sufficient to cover future credit losses. In the event of significant deterioration in economic conditions or if the Group experiences significant loan growth, it may be required to increase the allowance in future periods, which would reduce its earnings.

The Group may have more credit risk and higher credit losses to the extent its loans are concentrated by loan type, industry segment, borrower type, or location of the borrower or collateral

The Group's credit risk and credit losses can increase if its loans are concentrated to borrowers engaged in the same or similar activities or to borrowers who individually or as a group may be uniquely or disproportionately affected by economic or market conditions. Similarly, challenging or changing economic or market conditions, or trade policies, affecting a particular industry or geography may also impact related or dependent industries or the ability of borrowers living in such affected areas or working in such industries to meet their financial obligations. As California is the Group's largest banking state in terms of loans, deterioration in real estate values and underlying economic conditions, or external factors such as natural disasters, in California could result in materially higher credit losses. In addition, changes in consumer behavior, the competitive landscape, or other market conditions may adversely affect borrowers in certain industries or sectors, which may increase the Group's credit risk and reduce the demand by these borrowers for its products and services. Moreover, deterioration in macro-economic conditions generally across the country could result in materially higher credit losses, including for the Group's residential real estate loan portfolio, which includes non-conforming mortgage loans it retains on its balance sheet.

The Group is currently one of the largest CRE lenders in the U.S. A deterioration in economic conditions that negatively affects the business performance of the Group's CRE borrowers, including increases in interest rates and related refinancing risks at maturity, declines in commercial property values, and/or changes in consumer behavior or other market conditions, such as a further decrease in the demand for office space, could result in materially higher credit losses and have a material adverse effect on the Group's financial results and condition.

Challenges and/or changes in non-U.S. economic conditions may increase the Group's non-U.S. credit risk. Economic difficulties in non-U.S. jurisdictions could also indirectly have a material adverse effect on the Group's credit performance and results of operations and financial condition to the extent they negatively affect the U.S. economy and/or the Group's borrowers who have non-U.S. operations.

Due to regulatory requirements, the Group must clear certain derivative transactions through central counterparty clearinghouses ("**CCPs**"), which results in credit exposure to these CCPs. Similarly, because the Group is a member of various CCPs, it may be required to pay a portion of any losses incurred by a CCP in the event that one or more members of that CCP defaults on its obligations. In addition, the Group is exposed to the risk of non-performance by its clients for which it clears transactions through CCPs to the extent such non-performance is not sufficiently covered by available collateral.

Operational, strategic, and legal risks

A failure in or breach of the Group's operational or security systems, controls or infrastructure, or those of the third parties on which the Group relies, could disrupt the Group's businesses, damage its reputation, increase its costs and cause losses

As a large financial institution that serves customers through numerous physical locations, ATMs, the internet, mobile banking and other distribution channels across the U.S. and internationally, the Group depends on its ability to safeguard its operations and infrastructure and to process, record and monitor a large number of customer transactions on a continuous basis. As the Group's customer base and locations have a broad geographic footprint throughout the U.S. and internationally; as the Group has increasingly

used the internet and mobile banking to provide products and services to its customers; as customer, public, legislative and regulatory expectations regarding operational and information security have increased; and as cyber and other information security attacks have become more prevalent and complex, the Group's operational systems, controls and infrastructure must continue to be safeguarded and monitored for potential failures, breaches, disruptions and breakdowns. The Group's business, financial, accounting, data processing systems or other operating systems and facilities may stop operating properly, become insufficient based on its evolving business needs, or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond the Group's control. For example, there have been and could in the future be sudden increases in customer transaction volume; electrical or telecommunications outages; degradation or loss of internet, website or mobile banking availability; natural disasters such as earthquakes, wildfires, tornados, and hurricanes; disease pandemics such as COVID-19; events arising from local or larger scale political or social matters, including terrorist acts; and, as described below, cyberattacks or other information security incidents. Pandemics such as COVID-19 could result in the occurrence of new, unanticipated adverse effects on the Group or the recurrence of adverse effects similar to those already experienced, including creating additional operational and compliance risks, such as the need to comply with rapidly changing regulatory requirements and to quickly implement new measures to protect the functionality of the Group's systems, networks, and operations. Additionally, the adoption or use of new or emerging technologies, including artificial intelligence ("**AI**"), digital assets, or distributed ledger technology, may continue to create new operational and compliance risks or add more complexity and the need to implement changes to the Group's infrastructure or operating systems.

Furthermore, enhancements and upgrades to the Group's infrastructure or operating systems may be time-consuming, entail significant costs, and create risks associated with implementing new systems and integrating them with existing ones. Due to the complexity and interconnectedness of the Group's systems, the process of enhancing its infrastructure and operating systems, including their security measures and controls, could continue to create a risk of system disruptions and security issues. Similarly, the Group may not be able to timely recover critical business processes or operations that have been disrupted, which may further increase any associated costs and consequences of such disruptions. Although the Group has enterprise incident response processes, business continuity plans and other safeguards in place to help provide operational resiliency, its business operations may be adversely affected by significant and widespread disruption to its physical infrastructure or operating systems that support its businesses and customers. For example, the Group has experienced system issues caused by a variety of factors that have resulted in intermittent service interruptions, such as temporary disruptions to online and mobile banking services, delays in posting transactions, and customer difficulty signing into accounts.

As a result of financial institutions and technology systems becoming more interconnected and complex, any operational incident at a third party (including a government or regulatory agency) may increase the risk of loss or material impact to the Group or the financial industry as a whole. Furthermore, third parties on which the Group relies, including those that facilitate its business activities or to which it outsources operations, such as exchanges, clearing houses, financial intermediaries or vendors that provide services or security solutions for the Group's operations, could continue to be sources of operational risk to it, including from information breaches or loss, cyberattacks, breakdowns, disruptions or failures of their own systems or infrastructure, or any deficiencies in the performance of their responsibilities. These risks are increased to the extent the Group relies on a single or small number of third parties or on third parties in a single geographic area. The Group is also exposed to the risk that a disruption or other operational incident at a common service provider to third parties the Group relies on could impede their ability to provide services or perform their responsibilities for the Group. In addition, the Group must meet regulatory requirements and expectations regarding its use of third-party service providers, and any failure by its third-party service providers to meet their obligations to the Group or to comply with applicable laws, rules, regulations, or the Group's policies could result in fines, penalties, restrictions on the Group's business, or other adverse consequences.

Disruptions or failures in the physical infrastructure, controls or operating or security systems that support the Group's businesses and customers, failures of the third parties on which the Group relies to adequately or appropriately provide their services or perform their responsibilities, or the Group's failure to effectively manage or oversee its third-party relationships, could continue to result in business disruptions, loss of revenue or customers, legal or regulatory proceedings, remediation and other costs, violations of applicable privacy and other laws, reputational damage, customer harm, or other adverse consequences, any of which could materially adversely affect the Group's results of operations or financial condition.

A cyberattack or other information security incident could have a material adverse effect on the Group's results of operations, financial condition, or reputation

Information security risks for large financial institutions such as the Group have generally increased in recent years in part because of the proliferation of new technologies, the use of the internet, mobile devices, and cloud technologies to conduct financial transactions, the increased reliance on third parties, the use of remote work arrangements, and the increased sophistication and activities of organized crime, hackers, terrorists, activists, and other external parties, including foreign state-sponsored parties. Those parties also continue to attempt to misrepresent personal or financial information to commit fraud, obtain loans or other financial products from the Group, or attempt to fraudulently induce employees, customers, or other users of its systems to disclose confidential, proprietary, or other information to gain access to its networks, data or information belonging to its customers. Geopolitical matters may also continue to elevate the risk of an information security threat, particularly by foreign state-sponsored parties or their supporters. In addition, the Group continues to experience information security threats arising from the increased availability and use of AI to conduct attacks that can be difficult to detect, including attacks that may exploit AI to make fraud detection and authentication more difficult. As noted above, the Group's operations rely on the secure processing, transmission and storage of confidential, proprietary, and other information in its computer systems and networks. The Group's banking, brokerage, investment advisory, and capital markets businesses rely on its technologies, computer and email systems, software, hardware, and networks to conduct their operations. In addition, to access the Group's products and services, its customers use computers, personal smartphones, tablets, and other mobile devices that are beyond the Group's control systems. The Group's technologies, systems, software, networks, and its customers' devices continue to be the target of cyberattacks or other information security threats, which could materially adversely affect the Group, including as a result of fraudulent activity, the unauthorized release, gathering, monitoring, misuse, loss or destruction of the Group's or its customers' confidential, proprietary and other information, or the disruption of the Group's or its customers' or other third parties' business operations. For example, various retailers have reported they were victims of cyberattacks in which large amounts of their customers' data, including debit and credit card information, was obtained. In these situations, the Group generally incurs costs to replace compromised cards and address fraudulent transaction activity affecting its customers. The Group also continues to be exposed to the risk that an employee or other person acting on the Group's behalf fails to comply with applicable policies and procedures and inappropriately circumvents information security controls for personal gain or other improper purposes.

Due to the increasing interconnectedness and complexity of financial institutions and technology systems, an information security incident at a third party (including a government or regulatory agency) or a third party's downstream service providers may increase the risk of loss or material impact to the Group or the financial industry as a whole. In addition, third parties (including their downstream service providers) on which the Group relies, including those that facilitate its business activities or to which it outsources operations, such as internet, mobile technology, hardware, software payment, clearing, settlement, and cloud service providers, continue to be sources of information security risk to the Group. The Group could suffer material harm, including business disruptions, losses or remediation costs, reputational damage, legal or regulatory proceedings, or other adverse consequences as a result of the failure of those third parties to adequately or appropriately safeguard their technologies, systems, networks, hardware, or software, or as a result of the Group's or its customers' data being compromised due to information security incidents affecting those third parties. Furthermore, any indemnification from a third party or its downstream service providers may not be sufficient to address the impact on the Group of an information security incident at those third parties.

The Group's risk and exposure to information security threats remains heightened because of, among other things, the persistent and evolving nature of these threats, the prominent size and scale of the Group and its role in the financial services industry, its plans to continue to implement its digital and mobile banking channel strategies and develop additional remote connectivity solutions to serve its customers when and how they want to be served, its geographic footprint and international presence, the Group's use of third parties, the outsourcing of some of its business operations, the activities of foreign state-sponsored parties or their supporters and the current global economic and political environment. For example, the Group and other financial institutions, as well as its third-party service providers, continue to be the target of various evolving and adaptive information security threats, including cyberattacks, malware, ransomware, other malicious software intended to exploit hardware or software vulnerabilities, phishing, social engineering attacks, credential validation, and distributed denial-of-service, in an effort to disrupt the operations of financial institutions, test their cybersecurity capabilities, commit fraud, or obtain confidential, proprietary or other information.

Cyberattacks have also focused on targeting online applications and services, such as online banking, as well as cloud-based and other products and services provided by third parties, and have targeted the infrastructure of the internet, causing the widespread unavailability of websites and degrading website performance. As a result, information security and the continued development and enhancement of the Group's controls, processes and systems designed to protect its networks, computers, software and data from attack, damage or unauthorized access remain a priority for the Group. The Group is also involved in industry cybersecurity efforts and working with other parties, including its third-party service providers and governmental agencies, to continue to enhance defenses and improve resiliency to information security threats. As these threats continue to evolve, the Group expects to continue to be required to expend significant resources to develop and enhance its protective measures or to investigate and remediate any information security vulnerabilities or incidents. Because the investigation of any information security breach is inherently unpredictable and would require time to complete, the Group may not be able to immediately identify, assess, or remediate the harm caused by the breach, which may further increase any associated costs and consequences. In addition, any actions the Group takes to respond to an information security breach may themselves create a risk of system disruptions or security issues. Moreover, to the extent the Group's insurance covers aspects of information security risk, such insurance may not be sufficient to cover all liabilities or losses associated with an information security breach.

Cyberattacks or other information security incidents affecting the Group or third parties (including their downstream service providers) on which it relies, including those that facilitate its business activities or to which it outsources operations, or affecting the networks, systems or devices that its customers use to access its products and services, could result in business disruptions, loss of revenue or customers, legal or regulatory proceedings, compliance, remediation and other costs, violations of applicable privacy and other laws, reputational damage, or other adverse consequences, any of which could materially adversely affect the Group's results of operations or financial condition.

The Group's framework for managing risks may not be fully effective in mitigating risk and loss to the Group

The Group's risk management framework seeks to mitigate risk and loss to it. The Group has established processes and procedures intended to identify, measure, monitor, report and analyze the types of risk to which it is subject, including liquidity risk, credit risk, market risk, interest rate risk, operational risk, and legal and compliance risk, among others. However, as with any risk management framework, there are inherent limitations to the Group's risk management strategies as there may exist, or develop in the future, risks that it has not appropriately anticipated, identified or managed.

The Group's risk management framework is also dependent on ensuring that effective operational controls and an appropriate risk mindset exist throughout the Group. The inability to develop effective operational controls or to foster the appropriate culture throughout the Group, including the inability to align performance management and compensation to achieve the desired culture, could adversely impact the effectiveness of the Group's risk management framework. Similarly, if the Group is unable to effectively manage its business or operations, it may be exposed to increased risks or unexpected losses. The Group processes a large number of transactions each day and could continue to experience increased costs, regulatory investigations, or other adverse consequences if it does not accurately or completely execute a process or transaction, whether due to human error or otherwise; if the Group is unable to detect and defend against fraudulent activity; or if an employee or third-party service provider fails to comply with applicable policies and procedures, inappropriately circumvents controls, or engages in other misconduct. In certain instances, the Group relies on models to measure, monitor and predict risks, such as market, interest rate, liquidity and credit risks, as well as to help inform business decisions; however, there is no assurance that these models will appropriately or sufficiently capture all relevant risks or accurately predict future events or exposures. Furthermore, certain of the Group's models are subject to regulatory review and approval, and any failure to meet regulatory standards or expectations could result in fines, penalties, restrictions on certain business activities, or other adverse consequences, and any required modifications or changes to these models can impact its capital ratios and requirements and result in increased operational and compliance costs.

In addition, the Group relies on data to aggregate and assess its various risk exposures and business activities, and any issues with the quality, timeliness, or effectiveness of its data, including its aggregation, management, and validation procedures, could result in ineffective risk management practices, business decisions or customer service, inefficient use of resources, ineffective compliance and monitoring activities, weaknesses in the development or maintenance of models or other analytical tools, or inaccurate regulatory

or other risk reporting. The Group also uses AI to help improve efficiency and further inform or automate certain business decisions, operations, and risk management practices, as well as to enhance the Group's models and data management activities, and to improve the Group's customer service. However, there is no assurance that AI will appropriately or sufficiently replicate certain outcomes or human assessment or accurately predict future events or exposures. For example, the algorithms or datasets underlying the Group's AI may be inaccurate or include other weaknesses that could result in incorrect, deficient or biased data outputs or other unintended consequences. In addition, the complexity and limited transparency of certain AI models can make it challenging to understand why they are generating particular outputs. Accordingly, even though the Group may have controls, the Group's use of AI could result in ineffective business decisions, operations, risk management practices, or customer service, legal or regulatory proceedings, reputational harm, or other adverse effects on the Group's business or financial results.

If the Group's risk management framework proves ineffective or if there are risks that the Group has not appropriately anticipated, identified or managed, it could suffer unexpected losses which could materially adversely affect its results of operations or financial condition.

The Group may be exposed to additional legal or regulatory proceedings, costs, and other adverse consequences related to instances where customers may have experienced financial harm

The Group has identified and may in the future identify areas or instances where customers may have experienced financial harm. For example, the Group identified certain issues related to past practices involving certain automobile collateral protection insurance policies and certain issues related to the unused portion of guaranteed automobile protection waiver or insurance agreements. The Group also previously entered into settlements to resolve inquiries or investigations by various government entities and lawsuits by non-governmental parties arising out of certain retail sales practices of the Group. Negative publicity or public opinion resulting from instances where customers may have experienced financial harm may continue to increase the risk of reputational harm to the Group's business. Similarly, the identification of areas or instances where customers may have experienced financial harm could lead to, and in some cases has already resulted in, significant remediation costs, loss of revenue or customers, legal or regulatory proceedings, compliance and other costs, or other adverse consequences.

The Group may incur fines, penalties, business restrictions, and other adverse consequences from regulatory violations or from any failure to meet regulatory standards or expectations

The Group maintains systems and procedures designed to ensure that it complies with applicable laws and regulations. However, the Group is subject to heightened compliance and regulatory oversight and expectations, particularly due to the evolving and increasingly complex regulatory landscape it operates in. The Group is also subject to regulatory actions that subject it to various conditions and restrictions. In addition, a single event or issue may give rise to numerous and overlapping investigations and proceedings, either by multiple federal and state agencies in the U.S. or by multiple regulators and other governmental entities in different jurisdictions. Also, the laws and regulations in jurisdictions in which the Group operates may be different or even conflict with each other, such as differences between U.S. federal and state law or differences between U.S. and non-U.S. laws as to the products and services it may offer or other business activities it may engage in, which can lead to compliance difficulties or issues.

Additionally, regulatory or compliance issues at other financial institutions could result in regulatory scrutiny for the Group. The Group could also be subject to regulatory actions, including fines, penalties, business restrictions, or other adverse consequences, if it fails to obtain applicable licensing or registration in any jurisdiction in which the Group offers its products and services. Furthermore, many legal and regulatory regimes require the Group to report transactions and other information to regulators and other governmental authorities, self-regulatory organizations, exchanges, clearing houses and customers. The Group may be subject to fines, penalties, business restrictions, or other adverse consequences if it does not timely, completely, or accurately provide regulatory reports, customer notices, or disclosures. Moreover, some legal/regulatory frameworks provide for the imposition of fines, penalties, business restrictions, or other adverse consequences for noncompliance even though the noncompliance was inadvertent or unintentional and even though there were systems and procedures in place at the time designed to ensure compliance. For example, the Group is subject to regulations issued by the Office of Foreign Assets Control ("**OFAC**") that prohibit financial institutions from participating in the transfer of property belonging to the governments of certain non-U.S. countries and designated nationals of those countries. OFAC may impose fines, penalties, or restrictions on certain business activities for inadvertent or unintentional violations even if reasonable processes are in place to prevent the violations. Any violation of these or other applicable

laws or regulatory requirements, even if inadvertent or unintentional, or any failure to meet regulatory standards or expectations, including any failure to satisfy the conditions of any consent orders or other regulatory actions, could result in significant fines, penalties, restrictions on certain business activities, negative impacts to the Group's capital and liquidity, requirements to undergo significant changes to its business, operations, products and services, and risk management practices, reputational harm, loss of customers, or other adverse consequences. Furthermore, these consequences may escalate to the extent issues are not timely resolved or are repeated.

Reputational harm, including as a result of the Group's actual or alleged conduct or public opinion of the financial services industry generally, could adversely affect its business, results of operations, and financial condition

The risk of reputational harm is inherent in the Group's business and can be substantial because of its size and profile in the financial services industry and due to instances where customers may have experienced financial harm. Negative public opinion about the financial services industry generally or the Group specifically could adversely affect the Group's reputation and its ability to keep and attract customers.

Negative public opinion could result from the Group's actual or alleged conduct in any number of activities, including sales practices; mortgage, auto or other consumer lending practices; loan origination or servicing activities; mortgage foreclosure actions; management of client accounts or investments; lending, investing or other business relationships; identification and management of potential conflicts of interest from transactions, obligations and interests with and among the Group's customers; sustainability or governance practices; regulatory compliance; risk management; incentive compensation practices; human capital management; and disclosure, sharing or inadequate protection or improper use of customer information, and from actions taken by government regulators and community or other organizations in response to that conduct. Although the Group has policies and procedures in place intended to detect and prevent conduct by employees and third-party service providers that could potentially harm customers or the Group's reputation, there is no assurance that such policies and procedures will be fully effective in preventing such conduct.

Furthermore, the Group's actual or perceived failure to address or prevent any such conduct or otherwise to effectively manage its business or operations could result in significant reputational harm. In addition, because the Group conducts most of its businesses under the "Wells Fargo" brand, negative public opinion about one business also could affect its other businesses. Moreover, actions by the financial services industry generally or by certain members or individuals in the industry also can adversely affect the Group's reputation. The proliferation of social media websites utilized by the Group and other third parties, as well as the personal use of social media by its employees and others, including personal blogs and social network profiles, also may increase the risk that, or broaden the extent to which, negative, inappropriate, untrue, or unauthorized information may be posted or released publicly that could harm the Group's reputation or have other negative consequences.

The Group and other financial institutions have been targeted from time to time by protests and demonstrations, which have included disrupting the operation of its retail banking locations, and have been subject to negative public commentary, including with respect to certain business practices and the fees charged for various products and services. The Group and other financial institutions have also been subject to negative publicity and legal or regulatory proceedings with respect to providing, maintaining, or discontinuing products or services to or making investments in industries or organizations subject to stakeholder concerns. In addition, the Group and other financial institutions have faced criticism stemming from diverging views among stakeholders, including whether companies should focus more or less on a variety of activities or strategies such as those related to sustainability and governance practices. There can be no assurance that continued protests or negative public opinion or criticism of the Group specifically or large financial institutions generally will not harm its reputation and adversely affect its business, results of operations, and financial condition.

If the Group is unable to develop and execute effective business plans or strategies or manage change effectively, its competitive standing and results of operations could suffer

In order to advance the Group's business goals, the Group may undertake business plans or strategies related to, among other things, its organizational structure, compliance and risk management framework, expenses and efficiency, the types of products and services it offers, the types of businesses it engages in, the geographies in which it operates, the manner in which it serves its clients and customers, the third parties

with which it does business, and the methods and distribution channels by which it offers its products and services. Accomplishing these business plans or strategies may be complex, time intensive, require significant financial, technological, management and other resources, may divert management attention and resources away from other areas of the Group, and may impact its expenses and ability to generate revenue. There is no guarantee that any business plans or strategies, including the Group's current efficiency or growth initiatives, will ultimately be successful. To the extent the Group is unable to develop or execute effective business plans or strategies or manage change effectively, its competitive position, reputation, prospects for growth, and results of operations may be adversely affected.

In addition, from time to time, the Group may decide to divest certain businesses or assets. Difficulties in executing a divestiture may cause the Group not to realize any expected cost savings or other benefits from the divestiture, or may result in higher than expected losses of employees or harm the Group's ability to retain customers. The divestiture or winding down of certain businesses or assets may also result in the impairment of goodwill or other long-lived assets related to those businesses or assets, which could adversely affect the Group's financial results.

Similarly, the Group may explore opportunities to expand its products, services, and assets through strategic acquisitions of companies or businesses. The Group generally must receive federal regulatory approvals before it can acquire a bank, bank holding company, or certain other financial services businesses. The Group cannot be certain when or if, or on what terms and conditions, any required regulatory approvals will be granted. The Group might be required to sell banks, branches and/or business units or assets or issue additional equity as a condition to receiving regulatory approval for an acquisition.

When the Group does announce an acquisition, the Guarantor's stock price may fall depending on the size of the acquisition, the type of business to be acquired, the purchase price, and the potential dilution to existing stockholders or the Group's earnings per share if common stock is issued in connection with the acquisition. Furthermore, difficulty in integrating an acquired company or business may cause the Group not to realize expected revenue increases, cost savings, increases in geographic or product presence, and other projected benefits from the acquisition. The integration could result in higher than expected deposit attrition, loss of key employees, an increase in the Group's compliance costs or risk profile, disruption of its business or the acquired business, or otherwise harm its ability to retain customers and employees or achieve the anticipated benefits of the acquisition. Time and resources spent on integration may also impair the Group's ability to grow its existing businesses. Many of the foregoing risks may be increased if the acquired company or business operates internationally or in a geographic location where the Group does not already have significant business operations and/or employees.

The Group's operations and business could be adversely affected by the impacts of climate change and sustainability-related matters

The physical effects of climate change, including extreme weather events and natural disasters, could damage or interfere with the Group's operations or those of its third-party service providers, which could disrupt the Group's business, increase its costs, or cause losses. Climate-related impacts could also negatively affect the financial condition of the Group's customers, increase the credit risk associated with those customers, or result in the deterioration of the value of the collateral the Group holds. In addition, changes in consumer behavior or other market conditions on account of climate considerations may increase the Group's credit risk associated with impacted customers and reduce the demand by these customers for the Group's products and services.

Legislation and/or regulation in connection with climate and sustainability matters, as well as stakeholder perceptions and expectations related to climate and sustainability, could require the Group to change certain of its business and/or risk management practices, impose additional costs on the Group, reduce the Group's revenue or business opportunities, subject the Group to legal or regulatory proceedings, or otherwise adversely affect its operations and business. Furthermore, the approaches taken by various governments and government agencies can vary significantly, evolve over time, and sometimes conflict. Additionally, climate and sustainability-related information may be subject to measurement uncertainties or may be available only from third parties, which can make it difficult to validate, impact the effectiveness of the Group's related strategies and decisions, or result in legal actions or other adverse consequences. Moreover, the Group may lose business opportunities as a result of its approach to sustainability, including if the Group is unable or perceived to be unable to achieve its objectives or realize any anticipated benefits, or if its approach is disliked or perceived to be ineffective or insufficient. Similarly, any perceived overstatement

or mislabeling of the sustainability-related benefits of the Group's products, services or activities may subject the Group to legal actions or other adverse consequences.

The Group is exposed to potential financial loss or other adverse consequences from legal actions

The Guarantor and some of its subsidiaries are involved in judicial, regulatory, governmental, arbitration, and other proceedings or investigations concerning matters arising from the conduct of its business activities, and many of those proceedings and investigations expose the Group to potential financial loss or other adverse consequences. There can be no assurance as to the ultimate outcome of any of these legal actions. The Group establishes accruals for legal actions when potential losses associated with the actions become probable and the costs can be reasonably estimated. The Group may still incur costs for a legal action even if it has not established an accrual. In addition, the actual cost of resolving a legal action may be substantially higher than any amounts accrued for that action. The ultimate resolution of a pending legal action, depending on the remedy sought and granted, could materially adversely affect the Group's results of operations and financial condition.

As noted above, the Group is subject to heightened regulatory oversight and scrutiny, which may lead to regulatory investigations, proceedings or enforcement actions. In addition to imposing potentially significant fines, penalties, business restrictions, and other adverse consequences, regulatory authorities may require criminal pleas or other admissions of wrongdoing and compliance with other conditions in connection with settling such matters, which can lead to reputational harm, loss of customers, restrictions on the ability to access capital markets, limitations on capital distributions, the inability to engage in certain business activities or offer certain products or services, and/or other direct and indirect adverse effects.

Mortgage business risks

The Group's mortgage banking revenue can be volatile, and the Group may incur significant costs, liabilities or other adverse consequences if the Group fails to satisfy its obligations with respect to the residential mortgage loans or other assets the Group originates or services

When interest rates rise, the demand for mortgage loans usually tends to fall, reducing the revenue the Group receives from loan originations. Under the same conditions, revenue from the Group's MSRs usually tends to increase due to a decline in the likelihood of prepayments, which increases the fair value of its MSRs. When rates fall, mortgage originations usually tend to increase and the value of its MSRs usually tends to decline.

In addition, the Group engages with government-sponsored entities ("**GSEs**") to purchase mortgage loans that meet their conforming loan requirements and with government insuring agencies, such as the Federal Housing Administration ("**FHA**") and the Department of Veterans Affairs ("**VA**"), to insure or guarantee loans that meet their policy requirements. If the GSEs or government insuring agencies were to limit, reduce or change the criteria for their purchasing, insuring or guaranteeing of loans, the Group's credit risk for these loans could increase and the Group's ability to fund, and thus originate, new mortgage loans, could be reduced. Similarly, to meet customer needs, the Group also originates loans that do not conform to either the GSEs' or government insuring agencies' standards, which are generally retained on the Group's balance sheet and therefore also do not generate sale proceeds.

For residential mortgage loans that the Group originates, it could become subject to monetary damages and other civil penalties, including the loss of certain contractual payments or the inability to exercise certain remedies under the loans such as foreclosure proceedings, if it is alleged or determined that the loans were not originated in accordance with applicable laws or regulations. Additionally, for residential mortgage loans that it originates and sells, the Group may be required to repurchase the loans or provide indemnification or reimbursement for credit losses incurred on loans in the event of a breach of contractual representations or warranties in the agreements under which the Group sells the loans or in the insurance or guaranty agreements that the Group enters into with the FHA and VA. If economic conditions or the housing market worsen, the Group could have increased repurchase obligations and increased loss severity on repurchases. The Group also may have repurchase or other obligations to the extent it originates and securitizes other assets, such as credit card loans.

Furthermore, the Group may incur costs, liabilities to borrowers and/or securitization investors, legal actions, or other adverse consequences if it fails to meet its servicing obligations for the mortgage loans the Group services, including the Group's obligations with respect to mortgage foreclosure actions or if it

experiences delays in the foreclosure process. The Group's mortgage banking revenue may be negatively affected to the extent its servicing costs increase because of higher foreclosure or other servicing-related costs. In addition, the Group may continue to be subject to fines, penalties, business restrictions, reputational harm, and other adverse consequences as a result of actual or perceived deficiencies in its mortgage servicing practices, including with respect to its foreclosure practices, its loss mitigation activities such as loan modifications or forbearances, or its servicing of flood zone properties. Moreover, the Group may be terminated as servicer, required to provide indemnification, and/or contractually obligated to repurchase a mortgage loan or reimburse investors for credit losses if the Group fails to satisfy its servicing obligations. The Group may also face risks, including regulatory, compliance, and market risks, as it pursues its previously announced plans to reduce the amount of residential mortgage loans it services.

Competitive risks

The Group faces significant and increasing competition in the rapidly evolving financial services industry

The Group competes in a highly competitive industry that is undergoing significant changes as a result of financial regulatory reform, technological advances, increased public scrutiny, and economic conditions. The Group's success depends on, among other things, its ability to develop and maintain deep and enduring relationships with its customers based on the quality of its customer service, the wide variety of products and services that it can offer its customers and the ability of those products and services to satisfy its customers' needs and preferences, the pricing of its products and services, the extensive distribution channels available for its customers, its innovation, and its reputation. Continued or increased competition in any one or all of these areas may negatively affect the Group's customer relationships, market share and results of operations and/or cause it to increase its capital investment in its businesses in order to remain competitive. In addition, the Group's ability to reposition or reprice its products and services from time to time may be limited and could be influenced significantly by the economic, regulatory and political environment as well as by the actions of its competitors. Furthermore, any changes in the types of products and services that the Group offers its customers and/or the pricing for those products and services could result in a loss of customer relationships and market share and could materially adversely affect its results of operations. For example, if the Group is unable to successfully process payments or wire transfers as a result of technological, operational, or other reasons, this could potentially result in payment settlement delays or customer dissatisfaction, which may lead to remediation and other costs, a loss of customers, or other adverse consequences.

Continued technological advances and the expansion of a digital economy have enabled non-depository institutions to offer products and services traditionally offered by banks and have enabled financial institutions, technology companies, and others to deliver electronic and internet-based financial solutions, including electronic securities trading, lending, savings and payment solutions. Additionally, digital assets and alternative payment methods, such as cryptocurrencies, stablecoins, and tokens, as well as distributed ledger-based payment, clearing, and settlement processes have the potential to reduce reliance on traditional depository institutions and other financial intermediaries, could lead to a reduction in deposits at banks, and could lead to changes in how financial services are accessed, offered, and delivered. These advances, together with an evolving regulatory environment, could shape the pace and scale at which these innovations are adopted and, in turn, impact the Group's competitive landscape. In addition, the Group may face more difficulty responding to competitive threats if its competitors, including non-depository institutions, are subject to fewer regulatory requirements than the Group. Furthermore, technological advances, such as AI, and other innovations may be leveraged by competitors to develop and improve their products and services, efficiencies, operations, and customer service. The Group may not respond effectively to these and other competitive threats from existing and new competitors and may be forced to offer products and services at lower prices, increase its investment in its business to modify or adapt its existing products and services, and/or develop new products and services to respond to its customers' needs and preferences. To the extent the Group is not successful in developing and introducing new products and services or responding or adapting to the competitive landscape or to changes in customer preferences, the Group may lose customer relationships and the Group growth prospects and results of operations may be materially adversely affected.

The Group's ability to attract and retain qualified employees is critical to the success of its business and failure to do so could adversely affect its business performance, competitive position and future prospects

The success of the Group is heavily dependent on the talents and efforts of its employees, including its senior leaders, and in many areas of its business, including commercial banking, brokerage, investment advisory, capital markets, risk management, and technology, the competition for highly qualified personnel is intense. The Group also seeks to retain a pipeline of employees to provide continuity of succession for its senior leadership positions. In order to attract and retain highly qualified employees, it must provide competitive compensation, benefits, and work arrangements and effectively manage employee performance and development. Furthermore, to the extent the Group's regulators impose restrictions on its compensation practices, its ability to attract and retain these qualified employees, may be adversely affected, especially if its competitors are not subject to the same restrictions. Moreover, advances in technology, including automation and AI, could continue to require additional training of employees and lead to increased competition for candidates with advanced technological skills. Similarly, union organizing activity, some of which has been successful, could continue to increase the Group's operational complexity and costs. In addition, the Group's response to this activity could be perceived negatively and harm its reputation and business, subject it to legal actions, or adversely affect its ability to attract and retain qualified employees. If the Group is unable to continue to attract and retain qualified employees, including successors for senior leadership positions, its business performance, competitive position and future prospects may be adversely affected.

Financial reporting risks

Changes in accounting standards, and changes in how accounting standards are interpreted or applied, could materially affect the Group's financial results and condition

From time to time the Financial Accounting Standards Board ("**FASB**") and the SEC update the financial accounting and reporting standards that govern the preparation of the Group's external financial statements. In addition, those who set and interpret accounting standards (such as the FASB, SEC, and banking regulators) may update their previous interpretations or positions on how these standards should be applied. Changes in financial accounting and reporting standards and changes in current interpretations are typically beyond the Group's control, can be hard to predict, and could materially affect its financial results and condition, including requiring a retrospective restatement of prior period financial statements. Similarly, any change in the Group's accounting policies could also materially affect its financial statements.

The Group's financial statements require certain assumptions, judgments, and estimates and rely on the effectiveness of its internal control over financial reporting

Pursuant to U.S. generally accepted accounting principles ("**GAAP**"), the Group is required to use certain assumptions, judgments and estimates in preparing its financial statements, including, among other items, in determining the allowance for credit losses, fair value measurements, and goodwill impairment. Several of its accounting policies are critical because they require management to make difficult, subjective, and complex judgments about matters that are inherently uncertain and because it is likely that materially different amounts would be reported under different conditions or using different assumptions. If the assumptions, judgments or estimates underlying the Group's financial results are incorrect or different from actual results, it could experience unexpected losses or other adverse impacts, some of which could be significant.

The Sarbanes-Oxley Act of 2002 ("**Sarbanes-Oxley**") requires the Group's management to evaluate the Group's disclosure controls and procedures and its internal control over financial reporting and requires its auditors to issue a report on its internal control over financial reporting. The Group is required to disclose, in its annual report on Form 10-K, the existence of any "**material weaknesses**" in its internal controls. The Group cannot assure that it will not identify one or more material weaknesses as of the end of any given quarter or year, nor can it predict the effect on the Group's reputation or the Guarantor's stock price of disclosure of a material weakness. The Group could also be required to devote significant resources to remediate any material weakness. In addition, the Group's customers may rely on the effectiveness of certain of its operational and internal controls as a service provider, and any deficiency in those controls could affect its customers and damage the Group's reputation or business.

Sarbanes-Oxley also limits the types of non-audit services the Group's outside auditors may provide to it in order to preserve their independence from the Group. If the Group's auditors were found not to be independent of the Group, it could be required to engage new auditors and re-file financial statements and audit reports with the SEC. The Group could be out of compliance with SEC rules until new financial statements and audit reports were filed, limiting its ability to raise capital and resulting in other adverse consequences.

Any factor described in this Information Memorandum could by itself, or together with other factors, adversely affect the Group's financial results and condition.

RISKS RELATING TO THE NOTES AND THE GUARANTEE

Fixed rate Notes

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate Notes.

Zero Coupon Notes

Zero Coupon Notes do not pay current interest but are issued at a discount from their nominal value. Instead of periodic interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the market interest rate. A holder of Zero Coupon Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate. Prices of Zero Coupon Notes are more volatile than prices of fixed rate Notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity.

Variable rate Notes

Notes with variable interest rates can be volatile investments and their market may be even more volatile than Zero Coupon Notes or fixed rate Notes.

Interest determined by reference to a formula

The Issuer may issue Notes with interest determined by reference to a formula. Potential investors should be aware that:

(a) the market price of such Notes may be volatile; and

(b) they may receive no interest.

Accordingly, each potential investor should consult its own financial and legal advisors about the risk entailed by an investment in any Range Accrual Notes and/or Spread Notes and the suitability of such Notes in light of its particular circumstances.

Index-Linked Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "**Relevant Factor**"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

(a) the market price of such Notes may be volatile;

(b) they may receive no interest;

(c) payment of principal or interest may occur at a different time or in a different currency than expected;

(d) they may lose all or a substantial portion of their principal;

(e) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(f) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and

(g) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of a Relevant Factor should not be viewed as an indication of the future performance of such Relevant Factor during the term of any Index-Linked Notes. Accordingly, each potential investor should consult its own financial and legal advisors about the risk entailed by an investment in any Index-Linked Notes or in any Dual Currency Notes or Reverse Dual Currency Notes and the suitability of such Notes in light of its particular circumstances.

Fixed/floating rate Notes

Fixed/floating rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate or from a floating rate to a fixed rate on a specified date or at the option of the Issuer. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the fixed/floating rate Notes may be less favorable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Equity Linked Notes

The Issuer may issue Notes which are equity linked securities where the amount of principal and interest payable is linked to the value of shares in an individual company or a basket of shares of several companies. The specific terms and conditions which will apply to Equity Linked Notes will be as described in the Equity Linked Terms as amended, supplemented or replaced by the relevant Pricing Supplement or Drawdown Information Memorandum. Additional risk factors specific to Equity Linked Notes will be included in the relevant Pricing Supplement or Drawdown Information Memorandum.

Inverse floating rate Notes

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the Euro Interbank Offered Rate ("**EURIBOR**"), the Sterling Overnight Index Average ("**SONIA**"), the Secured Overnight Financing Rate ("**SOFR**") or the Bank Bill Swap Rate ("**BBSW**"). The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Credit Linked Notes

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

Prospective investors in any such Notes should be aware that depending on the terms of the Credit Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest 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. For further additional risk factors relating to Credit Liked Notes, please see the section headed "*Additional Risk Factors for Credit Linked Notes*" below.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market may be even more volatile than those securities that do not include those features.

Noteholders have limited rights of acceleration

Payment of principal may be accelerated only in the case of payment defaults that continue for a period of 30 days, certain events of bankruptcy or insolvency relating to the Issuer only, whether voluntary or involuntary, or certain situations under which the Guarantee ceases to be in full force and effect. Noteholders will not have the right to declare the principal amount of such Notes to be due and payable upon any other event of default or in any circumstances other than those set forth in the first sentence of this paragraph, and therefore may not receive such principal amount in these circumstances.

The Notes will not have the benefit of any cross-default or cross-acceleration with other indebtedness of the Guarantor. In addition, events of bankruptcy, insolvency, receivership or liquidation relating to the Guarantor and failure by the Guarantor to perform any of its covenants or warranties (other than a payment default under the Guarantee) will not constitute an Event of Default with respect to the Notes.

The regulation of benchmarks may lead to future reforms or discontinuation

EURIBOR and other interest rates or other types of rates and indices which are deemed to be benchmarks have been subject to regulatory scrutiny and legislative intervention in recent years. This relates not only to the creation and administration of benchmarks but also the use of a benchmark rate.

In the EU, for example, Regulation (EU) 2016/1011, as amended (the "**EU Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of a benchmark within the EU, subject to certain transitional provisions. Similarly, the EU Benchmarks Regulation, as it forms part of the domestic law of the UK by virtue of the EUWA, as amended (the "**UK Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of a benchmark within the UK, subject to certain transitional provisions.

Legislation such as the EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index. For example, if the methodology or other terms of the benchmark are changed in the future in order to comply with the terms of the EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, or other similar legislation, or if a critical benchmark is discontinued or is determined by a regulator to be 'no longer representative'. Such factors could (amongst other things) have the effect of reducing or increasing the rate or level of, or may affect the volatility of the published rate or level of, the benchmark. They may also 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 discontinuation or unavailability of quotes of certain benchmarks.

Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with the Euro short-term rate ("**€STR**") or an alternative benchmark.

If "*Benchmark Discontinuation - Independent Advisor*" is specified as applicable in the relevant Pricing Supplement, the elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions, or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

Interest rate fallback arrangements may lead to Notes performing differently or the effective application of a fixed rate

If a relevant benchmark (including any page on which such benchmark may be published or any other successor service) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the Conditions), as applicable, occurs, the Conditions of the Notes provide for certain fallback arrangements. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective.

Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. It is also possible that such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Moreover, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Advisor (as defined in the Conditions) in certain circumstances, the relevant fallback provisions may not operate as intended at the relevant time. Additionally, in certain circumstances, the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used, which may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Investors should consult their own independent advisors and make their own assessment about the potential risks arising from the possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

Methodologies for the calculation of risk-free rates (including overnight rates or forward-looking rates) as reference rates for Floating Rate Notes may vary and may evolve

Risk-free rates, such as SONIA and SOFR, as reference rates for Eurobonds have become more commonly used as benchmark rates for bonds in recent years. Most of these rates are backwards-looking, but the methodologies to calculate the risk-free rates are not uniform. Such different methodologies may result in different interest amounts being determined in respect of otherwise similar securities.

The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, or the SOFR Compounded Index that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. Such variations could result in reduced liquidity or increased volatility or might otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, investors should carefully consider how any mismatch between applicable conventions for the use of reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR or any related indices.

It is not possible to calculate interest rates in advance for Notes which reference SONIA, SOFR or any related indices

Interest on Notes which references a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may therefore be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default, or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

The administrator of SONIA or SOFR or any related indices may make changes that could change the value of SONIA or SOFR or any related index or discontinue SONIA or SOFR or any related index

Newer reference rates or any related indices and rates that fall outside the scope of the EU Benchmarks Regulation or the UK Benchmarks Regulation may also be subject to changes or discontinuation. For example, the Bank of England or The New York Federal Reserve (or their respective successors), as administrators of SONIA (and the SONIA Compounded Index) and SOFR (and the SOFR Compounded Index) respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rates and/or indices are calculated, eligibility criteria applicable to the transactions used to calculate SONIA or SOFR, or timing related to the publication of SONIA or SOFR or the related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA or SOFR or any related index (in which case a fallback method of determining the interest rate on the relevant Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate or indices.

Holders of Notes could be at greater risk of being structurally subordinated if either the Issuer or the Guarantor conveys, transfers or leases all or substantially all of its assets to one or more of the Guarantor's subsidiaries

Under the Indenture, the Issuer or the Guarantor may convey, transfer or lease all or substantially all of its assets to one or more of the Guarantor's subsidiaries. In that event, third-party creditors of the Guarantor's subsidiaries would have additional assets from which to recover on their claims while holders of Notes would be structurally subordinated to creditors of the Guarantor's subsidiaries with respect to such assets.

Notes issued at a substantial discount or premium

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

The Notes may be redeemed prior to maturity

In the event that, as a result of a change in law or regulation, the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United States or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Indenture.

In addition, if in the case of any particular Tranche of Notes the relevant Pricing Supplement specifies that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg and/or the CMU, investors will have to rely on their procedures for transfers, payments and communications with the Issuer

Notes issued under the Programme may be represented by one or more Global Registered Notes or Global Bearer Notes (as the case may be) (together, the "**Global Notes**"). Such Global Notes will be deposited with a common depositary or, as the case may be, a sub-custodian for the CMU or, as the case may be, common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes or, in the case of Registered Notes, Individual Note Certificates. Euroclear and Clearstream, Luxembourg or, as the case may be, the CMU will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg or, as the case may be, the CMU.

While the Notes are represented by one or more Global Notes deposited with a common depositary or, as the case may be, common safekeeper for Euroclear and Clearstream, Luxembourg, the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary or, as the case may be, the common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in such a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. Neither the Issuer nor the Guarantor has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in such Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg or, as the case may be, the CMU to appoint appropriate proxies.

Modification, waivers and substitution

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

The Indenture also provides that the Trustee may, in certain circumstances, agree without the consent of Noteholders to the modification of the provisions of Notes including the substitution of another company in place of the Issuer (or any previous substitute of the Issuer).

The Indenture contains provisions permitting the Notes, the provisions relating to the Notes and any relevant Pricing Supplement in respect of the Notes to be amended by the Issuer, the Guarantor and the Trustee to correct a manifest error without the consent of the Noteholders or the holders of Coupons, if any (the "**Couponholders**").

In addition, pursuant to the terms of the Notes, certain changes may be made to the interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such term, without the requirement for consent of the Trustee or the Noteholders.

Credit ratings

Notes issued under the Programme may be rated or unrated. A credit rating is not a recommendation to buy, hold or sell securities and may be subject to suspension, modification or withdrawal at any time. A reduction in any of the credit ratings of the Issuer may reduce the market value and liquidity of the Notes.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation unless: (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if (A) such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation; (B) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation; or (C) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

The resolution of the Guarantor under the Orderly Liquidation Authority could result in greater losses for holders of the Notes, particularly if a single point of entry strategy is used

Investors' ability to recover the full amount that would otherwise be payable under the Guarantee in a proceeding under the U.S. Bankruptcy Code may be impaired by the exercise by the FDIC of its powers under the "orderly liquidation authority" under Title II of the Dodd-Frank Act. In particular, the single point of entry strategy described below is intended to impose losses at the top-tier holding company level in the resolution of a G-SIB such as the Issuer.

Title II of the Dodd-Frank Act created a new resolution regime, as an alternative to bankruptcy, known as the "orderly liquidation authority" for certain financial companies, including G-SIBs such as the Guarantor.

Under the orderly liquidation authority, the FDIC would generally be appointed as receiver to liquidate and wind up a failing financial company. The determination that a financial company should be placed into orderly liquidation authority receivership is made by the United States Secretary of the Treasury, who must conclude, among other things, that the entity is in default or in danger of default, that the entity's failure poses a risk to the stability of the U.S. financial system, and that resolution under the orderly liquidation authority would avoid or mitigate those effects. This determination must come after supermajority recommendations by the FRB and the FDIC's board of directors, and consultation between the U.S. Treasury Secretary and the President.

If the FDIC is appointed as receiver for the Guarantor, then the orderly liquidation authority, rather than the U.S. Bankruptcy Code, would determine the powers of the receiver and the rights and obligations of security holders, creditors and other parties who have transacted with the Guarantor. There are substantial differences in the rights of creditors between the orderly liquidation authority and the U.S. Bankruptcy Code, including the right of the FDIC under the orderly liquidation authority to disregard the strict priority of creditor claims under the U.S. Bankruptcy Code in certain circumstances and the use of an administrative claims procedure instead of a judicial procedure to determine creditors' claims, the FDIC's right to transfer claims to a bridge entity, and limitations on the ability of creditors to enforce contractual cross-defaults against potentially viable affiliates of the entity in receivership.

The FDIC has announced that a "single point of entry" strategy may be a desirable strategy under its implementation of the orderly liquidation authority, but not all aspects of how the FDIC might exercise this authority are known and additional rulemaking is possible. In addition, federal banking regulators require U.S. G-SIBs, including the Guarantor, to maintain a minimum amount of equity and unsecured debt to absorb losses and recapitalize operating subsidiaries. Any resolution of the Guarantor will likely impose losses on shareholders, unsecured debt holders and other creditors of the Guarantor, while the Guarantor's subsidiaries may continue to operate. It is possible that the application of the single point of entry strategy—in which the Guarantor would be the only legal entity to enter resolution proceedings—could result in greater losses to holders of the Notes than the losses that would result from a different resolution strategy for the Guarantor. Assuming the Guarantor entered resolution proceedings and that support from the Guarantor to its subsidiaries was sufficient to enable the subsidiaries to remain solvent, losses at some or all of the Guarantor's subsidiaries could be transferred to the Guarantor and borne by the Guarantor's security holders, with the result that creditors of some or all of the Guarantor's subsidiaries may receive significant or full recoveries on their claims, while the Guarantor's security holders and other unsecured creditors could face significant or complete losses. In addition, creditors of the Guarantor could face losses ahead of the Guarantor's other similarly situated creditors in a resolution under the orderly liquidation authority if the FDIC exercised its right, described above, to disregard the strict priority of creditor claims.

The orderly liquidation authority also requires that creditors and shareholders of the financial company in receivership bear all losses before U.S. taxpayers are exposed to any losses. Additionally, the claims of deposits payable in the United States (including the claims of the FDIC as subrogee of insured depositors) and certain claims for administrative expenses of the FDIC as a receiver will have priority over other general unsecured claims against the Guarantor, including those of senior creditors such as claims in respect of the Guarantee. In certain circumstances under the orderly liquidation authority, the FDIC could elevate the priority of claims if it determines that doing so is necessary to facilitate an orderly liquidation without the need to obtain the consent of other creditors or prior court review.

In addition, under the orderly liquidation authority, the FDIC could establish a bridge financial company for the failed holding company and would transfer the assets and a very limited set of liabilities of the receivership estate to this bridge entity. The claims of unsecured creditors and other claimants (including holders of the Notes) could be satisfied by the exchange of their claims for the securities of one or more new holding companies emerging from the bridge entity. If securities were to be delivered in satisfaction of claims, there can be no assurance that the value of the securities of the bridge entity would be sufficient to repay all or any part of the creditor claims for which the securities were exchanged.

The resolution of the Guarantor in a bankruptcy proceeding could also result in greater losses for holders of the Notes

Pursuant to rules adopted by the FRB and the FDIC, the Guarantor prepares and periodically submits resolution plans, also known as "living wills", designed to facilitate its rapid and orderly resolution in the event of material financial distress or failure. The strategy described in the Guarantor's most recent resolution plan is a single point of entry strategy, in which the Guarantor would be the only material legal

entity to enter resolution proceedings while some or all of its operating subsidiaries are maintained as going concerns. In this case, the effects on creditors of the Guarantor would likely be similar to those arising under the orderly liquidation authority, as described above. However, the strategy described in the Guarantor's resolution plan is not binding in the event of an actual resolution of the Guarantor, whether conducted under the U.S. Bankruptcy Code or by the FDIC under the orderly liquidation authority.

To carry out a single point of entry strategy, the Guarantor may seek to recapitalize its subsidiaries or provide them with liquidity in order to preserve them as going concerns prior to the commencement of the Guarantor's bankruptcy proceeding. Moreover, the Guarantor could seek to elevate the priority of its guarantee obligations relating to its major subsidiaries' derivatives contracts over its other obligations, so that cross-default and early termination rights under derivatives contracts at its subsidiaries would be stayed under the International Swaps and Derivatives Association ("**ISDA**") 2018 U.S. Resolution Stay Protocol. This elevation would result in holders of the Notes incurring losses ahead of the beneficiaries of those guarantee obligations. It is also possible that holders of the Notes could incur losses ahead of other similarly situated creditors.

In response to the regulators' guidance and to facilitate the orderly resolution of the Guarantor, the Guarantor entered into the Support Agreement. Pursuant to the Support Agreement, the Guarantor transferred a significant amount of its assets, including the majority of its cash, deposits, liquid securities and intercompany loans (but excluding its equity interests in its subsidiaries and certain other assets), to the IHC and will continue to transfer those types of assets to the IHC from time to time. In the event of the Guarantor's material financial distress or failure, the IHC will be obligated to use the transferred assets to provide capital and/or liquidity to the Bank, WFS, WFCS, and the Covered Entities pursuant to the Support Agreement. Under the Support Agreement, the IHC will also provide funding and liquidity to the Guarantor through subordinated notes and a committed line of credit, which, together with the issuance of dividends, is expected to provide the Guarantor, during business as usual operating conditions, with the same access to cash necessary to service its debts, pay dividends, repurchase its shares, and perform its other obligations as it would have had if it had not entered into these arrangements and transferred any assets. If certain liquidity and/or capital metrics fall below defined triggers, or if the Guarantor's board of directors authorizes it to file a case under the U.S. Bankruptcy Code, the subordinated notes would be forgiven, the committed line of credit would terminate, and the IHC's ability to pay dividends to the Guarantor would be restricted, any of which could materially and adversely impact the Guarantor's liquidity and its ability to satisfy its debts and other obligations, and could result in the commencement of bankruptcy proceedings by the Guarantor at an earlier time than might have otherwise occurred if the Support Agreement were not implemented. The respective obligations under the Support Agreement of the Guarantor, the IHC, the Bank, and the Related Support Entities are secured pursuant to a related security agreement.

If a single point of entry strategy proves to be unsuccessful, multiple, competing resolution proceedings could ensue and holders of its debt securities (including the Notes) may as a consequence be in a worse position than if the strategy had not been effectuated. In all cases, any payments to holders of the Notes are dependent on the Guarantor's ability to make such payments and are therefore subject to its credit risk.

Risks relating to the Guarantee

If both the Issuer and the Guarantor default on their obligations to make payments on or to repay the Notes, pay any and all other amounts due and owing under the Indenture or to make payments under the Guarantee, as applicable, and there are insufficient funds to repay all amounts outstanding under the Notes, as well as having an unsecured claim against the Issuer, holders of the Notes will have unsecured claims for any outstanding amount against the Guarantor under the Guarantee. Those unsecured claims will rank behind the claims of any secured creditors of the Issuer and the Guarantor, respectively. Holders of Notes will not have any direct claim for such outstanding amount against any subsidiary of the Guarantor.

RISKS RELATING TO THE UNITED STATES TAX TREATMENT OF THE NOTES

U.S. withholding tax may apply to Notes linked to securities issued by U.S. issuers

Where Notes are linked to securities of U.S. issuers, certain payments on the Notes could be subject to U.S. withholding tax (up to 30 per cent., depending on the applicable treaty). In addition, U.S. withholding tax could be imposed on Noteholders to the extent U.S.-source dividends are paid on the underlying securities, even if no corresponding payment is made on the Notes to the Noteholders.

If U.S. withholding tax is required on Notes linked to securities issued by U.S. issuers, the Issuer will not be required to pay any additional amounts with respect to the withheld amounts.

The United States tax treatment of certain Notes is unclear

For U.S. federal tax purposes, the proper treatment and characterization of Notes that are not treated as debt instruments (generally, Notes that do not provide for the return at maturity of an amount at least equal to the holder's investment) are unclear. As a result, the timing and character of taxable income on such a Note are uncertain, and for a non-U.S. investor there is a risk that payments on such a Note may be subject to withholding tax.

Moreover, in some cases, changes to a Note (for example, a designation by the Issuer of a substitute for itself) could affect the Note's U.S. federal tax treatment.

The Internal Revenue Service and the United States Treasury Department have in the past requested public comments on tax policy issues raised by certain securities that are not classified as debt for U.S. federal income tax purposes. Any such guidance could adversely affect investors in Notes, possibly retroactively.

ADDITIONAL RISK FACTORS FOR CREDIT LINKED NOTES

The market price of Credit Linked Notes may be volatile and will be affected by, amongst other things, the time remaining to the redemption date and the creditworthiness of the Reference Entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

Where the Credit Linked Notes provide for physical delivery, the Issuer may determine that the specified assets to be delivered are either (a) assets which for any reason (including, without limitation, failure of the relevant clearance 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 (b) assets which the Issuer and/or any affiliate has not received under the terms of any transaction entered into by the Issuer and/or such affiliate to hedge the Issuer's obligations in respect of the Notes. Any such determination may delay settlement in respect of the Notes 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 Notes and, in the case of payment of a cash amount, will affect the timing of the valuation of such Notes and as a result, the amount of principal payable on redemption. Prospective Investors should review the terms and conditions of the Credit Linked Notes and the relevant Pricing Supplement to ascertain whether and how such provisions should apply to the Notes.

The Issuer's obligations in respect of Credit Linked Notes are irrespective of the existence or amount of the Issuer's and/or any Affiliates' credit exposure to a Reference Entity and the 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.

Noteholders are exposed to credit risk on Reference Entities

The holders of Credit Linked Notes will be exposed to the credit of one or more Reference Entities, which exposure shall be all or a part of their investment in such Notes. Upon the occurrence of any of the default events comprising a Credit Event with respect to any Reference Entity, the Noteholders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Entity. However, the holding of a Credit Linked Note is unlikely to lead to outcomes which exactly reflect the impact of investing in an obligation of a Reference Entity, and losses could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for reasons unrelated to such Reference Entity. Noteholders should also note that a Credit Event may occur even if the obligations of a Reference Entity are unenforceable or their performance is prohibited by any applicable law or exchange controls.

Where cash settlement or auction settlement applies, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result in a redemption of the Notes in a reduced principal amount or at zero, and, (if applicable) in a reduction of the amount on which interest is calculated. Where physical settlement applies, the occurrence of a Credit Event may result in the redemption of the Notes based on the valuation (or by delivery) of certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

Investors in Credit Linked Notes are accordingly exposed, as to both principal and (if applicable) interest, to the credit risk of the Reference Entity. The maximum loss to an investor in the Notes is 100 per cent. of their initial principal investment, together with (if applicable) any interest amounts.

A Credit Event may occur prior to the Trade Date

Holders of Credit Linked Notes may suffer a loss of some or all of the principal amount of the Notes in respect of one or more Credit Events that occur prior to the Trade Date or the Issue Date. Neither the relevant Calculation Agent or the Issuer nor any of their respective Affiliates has any responsibility to inform any Noteholder, or avoid or mitigate the effects of a Credit Event that has taken place prior to the Trade Date or the Issue Date.

Credit risk may be increased where the Reference Entities are concentrated in a particular sector or region

Where Credit Linked Notes are Nth-to-Default Credit Linked Notes or Basket Credit Linked Notes, the credit risk to Noteholders may be increased, amongst other things, as a result of the concentration of Reference Entities in a particular industry sector or geographic area or the exposure of the Reference Entities to similar financial or other risks.

Issuer and Calculation Agents will act in their own interests

The Issuer will exercise its rights under the terms of the Credit Linked Notes, including in particular the right to designate a Credit Event and the right to select obligations of the affected Reference Entity for valuation or delivery, in its own interests and those of its Affiliates, and not in the interests of investors in the Notes. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having the lowest possible market value for valuation or delivery, as applicable, may result in an increased credit loss for holders of the Notes.

The determination by the relevant 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 relevant Calculation Agent shall (in the absence of manifest error) be final and binding on the relevant Noteholders. In performing its duties pursuant to the Notes and making any determinations expressed to be made by it, for example, as to substitute Reference Obligations or Successors, the relevant Calculation Agent shall act in its sole and absolute discretion and is under no obligation to act in the interests of the Noteholders, nor will it be liable to account for any profit or other benefit which may accrue to it as a result of such determinations. A Calculation Agent is not bound to follow, or act in accordance with, any determination of the relevant Credit Derivatives Determinations Committee.

Actions of Reference Entities may affect the value of the Notes

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of the Notes. Holders of the Notes should be aware that the Reference Entities to which the value of the Notes is exposed, and the terms of such exposure, may change over the terms of the Notes.

Payments under the Notes may be deferred or suspended

In certain circumstances, for example (i) where a Credit Event has occurred and the related credit loss has not been determined as at the relevant date for payment, (ii) where a potential Credit Event exists as at the scheduled maturity of the Notes, or (iii) where pending a resolution of a Credit Derivatives Determinations Committee, payment of the redemption amount of the Notes and/or interest on the Notes may be deferred for a material period in whole or part without compensation to the holders of the Notes.

Suspension of Obligations will suspend payment of principal and interest

If the relevant Calculation Agent determines that, under the terms of the Notes, the obligations of the parties would be suspended pending a resolution of a Credit Derivatives Determinations Committee all of the obligations of the Issuer under each Credit Linked Note (including any obligation to deliver any notices, pay any interest, principal or settlement amount or to make any delivery) shall, be and remain suspended until the relevant Credit Derivatives Determinations Committee publicly announces that it has resolved the

matter in question or not to determine such matters. The relevant Calculation Agent will provide notice of such suspension as soon as reasonably practicable; however, any failure or delay by the relevant Calculation Agent in providing such notice will not affect the validity or effect of such suspension. No interest shall accrue on any payments which are suspended in accordance with the above.

Use of Auction Settlement may adversely affect returns to Noteholders

Where the Notes are redeemed following the occurrence of a Credit Event by reference to an auction sponsored by ISDA, the Issuer or its Affiliates may act as a participating bidder in any such auction and, in such capacity, may take certain actions which may influence the Auction Final Price including (without limitation) submitting bids, offers and physical settlement requests with respect to the obligations of the Reference Entity. If the Issuer or its Affiliates participate in an Auction, then they will do so without regard to the interests of Noteholders, and such participation may have a material adverse effect on the outcome of the relevant Auction and/or on the Credit Linked Notes. Noteholders will have no right to submit bids and/or offers in an Auction.

The Auction Final Price determined pursuant to an auction may be less than the market value that would otherwise have been determined in respect of the specified Reference Entity or its obligations. 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 appointed as administrator of the relevant Auction. Neither the relevant Calculation Agent, the Issuer nor 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. The Issuer will have no responsibility to dispute any determination of an Auction Final Price or to verify that any Auction has been conducted in accordance with its rules.

Following a Restructuring Credit Event in relation to which there are multiple concurrent auctions, but where there is no auction relating to credit derivative transactions with a maturity of the Notes, if the relevant Calculation Agent exercises the right of the buyer of credit risk protection under the Notes to elect that the Auction Final Price is determined by reference to an alternative Auction, the Auction Final Price so determined may be lower than the amount which would have been determined based on quotations sought from third party dealers.

Use of Cash Settlement may adversely affect returns to Noteholders

If the Notes are cash settled, then, following the occurrence of a Credit Event, the relevant Calculation Agent will be required to seek quotations in respect of selected obligations of the affected Reference Entity. Quotations obtained will be "bid-side" - that is, they will be reduced to take account of a bid-offer spread charged by the relevant dealer. 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 cash flows. Quotations will be deemed to be zero in the event that no such quotations are available.

"Cheapest-to-Deliver" risk

Since the Issuer, as buyer of protection, has discretion to choose the portfolio of obligations to be valued or delivered following a Credit Event in respect of a Reference Entity where Cash or Physical Settlement apply, 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 Notes. This could result in a lower recovery value and hence greater losses for investors in the Notes.

The Issuer and Calculation Agents are not obliged to disclose information on Reference Entities

The Issuer and each relevant Calculation Agent are not obliged to disclose to holders of the Notes any information which they may have at the Issue Date or receive thereafter in relation to any Reference Entity.

Risks may be compounded

Various risks relating to the Notes may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of the Notes and/or in increased losses for holders of the Notes.

The Issuer is not obliged to suffer any loss as a result of a Credit Event

Where the Notes are Single Reference Entity Credit Linked Notes, Nth-to-Default Credit Linked Notes or Basket Credit Linked Notes, credit losses will be calculated for the purposes of the Notes irrespective of whether the Issuer or its Affiliates has suffered an actual loss in relation to the Reference Entity or any obligations thereof. The Issuer is not obliged to account for any recovery which it may subsequently make in relation to such Reference Entity or its obligations.

The Notes do not represent an interest in obligations of Reference Entities

The Notes do not constitute an acquisition by the holders of the Notes of any interest in any obligation of a Reference Entity, and the Noteholders will not have any voting or other rights in relation to such obligation. The Issuer does not grant any security interest over any such obligation.

The value of the Notes may be adversely affected by illiquidity or cessation of indices

In determining the value of the Notes, dealers may take into account the level of a related credit index in addition to or as an alternative to other sources of pricing data. If any relevant index ceases to be liquid, or ceases to be published in its entirety, then the value of the Notes may be adversely affected.

Historical performance may not predict future performance

Individual Reference Entities may not perform as indicated by the historical performance of similar entities and no assurance can be given with respect to the future performance of any Reference Entities. Historical default statistics may not capture events that would constitute Credit Events for the purposes of the Notes.

Limited provision of information about the Reference Entities

This Information Memorandum does not provide any information with respect to the Reference Entities. Investors should conduct their own investigation and analysis with respect to the creditworthiness of Reference Entities and the likelihood of the occurrence of a Succession Event or Credit Event.

Reference Entities may not be subject to regular reporting requirements under securities laws which are applicable to them. The Reference Entities may report information in accordance with different disclosure and accounting standards to those applicable in the jurisdictions with which the investor may be familiar. 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 securities laws applicable in the international financial markets. None of the Issuer or the relevant Calculation Agent or any of their respective affiliates make any representation as to the accuracy or completeness of any information available with respect to the Reference Entities and investors must make their own investigation into such matters.

None of the Issuer or the relevant Calculation Agent or any of their respective affiliates will have any obligation to keep investors informed as to any matters with respect to the Reference Entities or any of their obligations, including whether or not circumstances exist that give rise to the possibility of the occurrence of a Credit Event or a Succession Event with respect to the Reference Entities.

Cash settlement (whether by reference to an auction or a dealer poll) may be less advantageous than physical delivery of assets

Payments on the Notes following the occurrence of an Event Determination Date may be in cash and will reflect the value of relevant obligations of the affected Reference Entity at a given date. Such payments may be less than the recovery which would ultimately be realized by a holder of debt obligations of the affected Reference Entity, whether by means of enforcement of rights following a default or receipt of distributions following an insolvency or otherwise.

Conflicts of Interest – Credit Derivatives Determinations Committees

The Issuer or any of its Affiliates may act as a member of a Credit Derivatives Determinations Committee. In such case, the interests of the Issuer or its Affiliates may be opposed to the interests of Noteholders and they will be entitled to and will act without regard to the interests of Noteholders.

Rights associated with Credit Derivatives Determinations Committees

The institutions which are members of each Credit Derivatives Determinations Committee owe no duty to the Noteholders and have the ability to make determinations that may materially affect the Noteholders, such as the occurrence of a Credit Event or a Succession Event. A Credit Derivatives Determinations Committee may be able to make determinations without action or knowledge of the Noteholders.

Noteholders may have no role in the composition of any Credit Derivatives Determinations Committee. Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on a Credit Derivatives Determinations Committee and the Noteholders may have no role in establishing such criteria. In addition, the composition of a 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. The Noteholders may have no control over the process for selecting institutions to participate on a Credit Derivatives Determinations Committee and, to the extent provided for in the Notes, will be subject to the determinations made by such selected institutions in accordance with the DC Rules.

Noteholders may have no recourse against either the institutions serving on a Credit Derivatives Determinations Committee or the external reviewers. Institutions serving on a 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 willful misconduct. Furthermore, the institutions on the Credit Derivatives Determinations Committee do not owe any duty to the Noteholders and the Noteholders will be prevented from pursuing claims with respect to actions taken by such institutions under the DC Rules.

Noteholders should also be aware that institutions serving on a Credit Derivatives Determinations Committee have no duty to research or verify the veracity of information on which a specific determination is based. In addition, a 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 Issuer or the relevant Calculation Agent or any of their respective affiliates serve as a member of a Credit Derivatives Determinations Committee at any time, then they will act without regard to the interests of the Noteholders.

Noteholders are responsible for obtaining information relating to deliberations of a Credit Derivatives Determinations Committee. Notices of questions referred to a Credit Derivatives Determinations Committee, meetings held to deliberate such questions and the results of binding votes will be published on the website of the Credit Derivatives Determinations Committees and neither the Issuer, the relevant Calculation Agent nor any of their respective affiliates shall be obliged to inform the Noteholders of such information (other than as expressly provided in respect of the Notes). Failure by the Noteholders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Notes and Noteholders are solely responsible for obtaining any such information.

Investors should read the Credit Derivatives Determinations Committees Rules as amended from time to time as set out on the website of the Credit Derivatives Determinations Committees (http://www.cdsdeterminationscommittees.org/dc-rules/) and reach their own views prior to making any investment decisions. Investors should however note that the DC Rules may subsequently be amended from time to time without the consent or input of the Noteholders and the powers of the Credit Derivatives Determinations Committee may be expanded or modified as a result.

Multiple Auctions Following Restructuring Credit Event

Where multiple concurrent Auctions are held following a Restructuring Credit Event, the Issuer may be entitled to select a particular Auction for the purposes of settlement of the Notes. The Issuer will make such election acting in its own interests and not in the interests of the Noteholders.

The Auction Final Price or Weighted Average Final Price may be based on one or more obligations of the Reference Entity having a final maturity date different from that of the Restructured Bond or Loan or any

specified Reference Obligation– which may affect the Auction Settlement Amount determined in respect of the Notes.

Non-delivery of Deliverable Obligations and Hedge Disruption Event will not constitute an Event of Default

Where Physical Settlement is the applicable Settlement Method, if as a result of a Hedge Disruption Event the Issuer and/or any of its Affiliates have not received the Deliverable Obligations under the terms of a Hedge Transaction such that the Issuer is not able to deliver such Deliverable Obligations to Noteholders in settlement of the Notes, such event will not constitute an Event of Default for the purposes of the Notes. In such circumstances, settlement of the Notes may be substantially delayed and/or may be in cash (in whole or in part).

Additional Risk Factors for Basket Credit Linked Notes referencing an underlying index ("Basket CLN Notes")

Noteholders will be exposed to the credit of the Reference Entities underlying the Reference Index

Potential investors should carefully review the list of Reference Entities that constitute the Reference Index and the characteristics of the Reference Obligations (or other Deliverable Obligations) that are specified with respect to each Reference Entity, as well as the risks associated with each. The Reference Entities included in the Reference Index may share certain specified characteristics, including type of obligor, geographic region and credit rating category. These characteristics may be relevant to the probability of a Credit Event occurring, as Credit Events may be more likely for Reference Entities with certain of these characteristics than for others. The Reference Obligations (or other Deliverable Obligations) associated with the Reference Entities included in the Reference Index also have certain specified characteristics in common, such as whether they are secured or unsecured. These characteristics may be relevant to the recovery rate following default because holders of certain types of obligations (such as secured obligations) may recover a higher percentage for such obligations following default than holders of other obligations (such as unsecured obligations). The probability of default, the recovery rate following default and market expectations about those factors are significant drivers of the value and market price of the Reference Index and of the Basket CLN Notes.

Potential investors in the Basket CLN Notes should evaluate whether they wish to gain exposure to the credit of the Reference Entities constituting the Reference Index, as well as whether those Reference Entities are representative of the market to which such investors seek to gain exposure. The risks of the Reference Index will vary depending on the characteristics of the underlying Reference Entities. In addition, potential investors should understand that the Reference Entities in an index of investment grade Reference Entities may be investment grade rated only at inception of the index or relevant series of the index, and that such Reference Entities may be downgraded thereafter.

Value of the Basket CLN Notes may decline due to changes in the market's perception of the credit quality of the Reference Entities

The value of the Basket CLN Notes may decline as a result of changes in the market's perception of the credit quality of the Reference Entities. The market's perception of the credit quality of the Reference Entities may be highly volatile and may change very rapidly following the availability of new information.

Value of the Basket CLN Notes may be adversely affected by distortions in the market for index credit default swaps

The market for index credit default swaps has been subject to significant distortions from time to time in the past as a result of the actions of one or a small number of market participants that may take large positions in an index credit default swap. These distortions have in the past led, and may in the future lead, to a high degree of volatility, as well as a wide and potentially unsustainable divergence between the market price of index credit default swaps and the price that would be expected based on the market price of credit default swaps on the underlying Reference Entities. Such volatility and distortions may adversely affect the value of the Basket CLN Notes. The Issuer and/or its affiliate's trading activities may represent a significant portion of the market for credit default swaps on the Reference Index and, accordingly, the Issuer and/or its affiliates may be contributors to such volatility and distortions.

Decrease in the liquidity of credit default swaps referencing the Reference Index may adversely affect the value of the Basket CLN Notes

There is no guarantee that there will be a liquid market for any particular index credit default swap. The Index Sponsor periodically publishes new series of the Reference Index from time to time (for example, on a semi-annual basis). Any new series of the Reference Index will not be incorporated into the terms of the Basket CLN Notes. Market liquidity is often concentrated in the most recent series and may decline for a given index when a new series of such index is published. Such decrease in the liquidity of credit default swaps referencing the Reference Index may adversely affect the value of the Basket CLN Notes. In addition, if the Index Sponsor changes the Reference Index or the standardized credit default swap contract referencing the Reference Index in any way, such change may not be automatically incorporated into the terms of the Basket CLN Notes. If such circumstances arise, the value of the Basket CLN Notes may decline as a result.

There can be no assurance that potential investors will achieve their hedging objectives

The Reference Index provides exposure to the credit of a portfolio of Reference Entities selected by the Index Sponsor. Accordingly, the Reference Index may not be a perfect hedge for any particular exposure a potential investor may have and may not be representative of any particular market. Even if the Reference Entities do prove to be representative of such market, such a general hedge may be ineffective as a hedge for the particular credit position held by a potential investor. Any perceived historical correlation between the Reference Index and some other credit position may not continue in the future.

Market value of the Basket CLN Notes may be different from the weighted sum of the market value of Single Reference Entity CLNs with respect to the Reference Entities

Although the Basket CLN Notes are Basket CLN Notes structured to be contractually similar to buying separate Single Reference Entity CLNs with respect to each Reference Entity, potential investors should understand that buying the Basket CLN Notes may have different economics than buying separate Single Reference Entity CLNs with respect to each Reference Entity. The market price of the Basket CLN Notes may differ from what would be expected based on the market prices of Single Reference Entity CLNs on each Reference Entities (not all of which may be available). Moreover, the valuation methodology that any person may use to determine a valuation of the Basket CLN Notes for any purpose may result in a valuation that is different than if it were merely the weighted sum of the market value of Single Reference Entity CLNs with respect to the Reference Entities.

Conflicts of interest may arise from issuance of the Basket CLN Notes

The Index Sponsor may calculate the published spread or price for the Reference Index based on a poll of dealers. The Issuer may be one of the dealers polled by the Index Sponsor and, if so, the Issuer's actions could affect the published spread or price. In addition, the Issuer may participate, together with other dealers, in the process by which the Index Sponsor determines the composition of the Reference Index and makes certain other determinations with respect to the Reference Index, including the removal of Reference Entities or reference obligations from the Reference Index. In taking any such actions, the Issuer has no obligation to consider the interests of Noteholders. Any such actions could adversely affect the value of the Basket CLN Notes.

Amount of interest payable in respect of the Basket CLN Notes may be smaller after the occurrence of a Credit Event with respect to a Reference Entity

If a Credit Event occurs (and the Conditions to Settlement are satisfied) with respect to a Reference Entity prior to the CLN Maturity Date, the relevant portion of the aggregate outstanding principal amount of the Basket CLN Notes that is attributable to such Reference Entity based on its weighting in the CLN Basket will be redeemed (as described in "*Redemption—Redemption following Satisfaction of Conditions to Settlement*" in the Credit Linked Terms), and the Basket CLN Notes will otherwise continue in effect with respect to each other Reference Entity until the CLN Maturity Date (subject to the occurrence of a Credit Event (and the satisfaction of the Conditions to Settlement) with respect to any of those other Reference Entities prior to the CLN Maturity Date). As a result, the interest amount payable in respect of the Basket CLN Notes will be smaller (reflecting a smaller aggregate outstanding principal amount of the Basket CLN Notes).

Additional Risk Factors for CDS Spread Credit Linked Notes ("CDS Spread CLN Notes")

Capital at risk

Noteholders in CDS Spread Credit Linked Notes will have an implied long position on the Long Reference Entity and an implied short position on the Short Reference Entity, as if any such Noteholder had sold credit protection on the Long Reference Entity under a credit derivative transaction in an amount equal to the *pro rata* portion allocable to such Noteholder of the Reference Entity Notional Amount with respect to the Long Reference Entity for the term of the CDS Spread CLN Notes and simultaneously bought credit protection on the Short Reference Entity in an amount equal to the *pro rata* portion allocable to such Noteholder of the Reference Entity Notional Amount with respect to the Short Reference Entity for the same duration.

In scenarios where both Reference Entities are affected by a Credit Event, losses suffered by Noteholders as the seller of credit protection in their implied long position may be partially or fully offset by gains realized by Noteholders as the buyer of credit protection in their implied short position.

However, there is no guarantee that a Credit Event will occur with respect of both Reference Entities, or that such circumstance will fully mitigate losses incurred by Noteholders from their implied long position. One reason for this is that the Auction Settlement or, if applicable, Cash Settlement, process may assign a different value to the obligations of each Reference Entity, as the industry participants involved may view the credit risk profiles of the Reference Entities and/or their obligations differently. Therefore, in the extreme case, it is possible that Noteholders may lose all or a substantial portion of their investment, as any gains on one position will not adequately offset any losses on the other position.

Further, where a Credit Event only occurs in respect of one Reference Entity, no assurance can be made that the credit spreads on a credit derivative transaction referencing the other Reference Entity would widen as expected assuming the Reference Entities are positively correlated. As a result, any increase in the termination value of Noteholders' implied short position may be insufficient to offset a portion or the entirety of any losses on their implied long position.

Prospective investors should therefore be aware that in the event of a Credit Event in relation to either Reference Entity, 100 per cent. of their initial principal investment, together with (if applicable) any interest amounts, may be at risk.

The credit spreads on the Reference Entities may adversely affect the market value of the CDS Spread CLN Notes

No assurance can be made that the credit spreads on the Reference Entities will change substantially in the same degree and in the same direction during the term of the CDS Spread CLN Notes. If the credit spreads on one Reference Entity widen or tighten more than the credit spreads on the other Reference Entity, it could adversely affect the market value of the CDS Spread CLN Notes.

Return on the CDS Spread CLN Notes may be affected by leverage if the Reference Entity Notional Amount with respect to any Reference Entity exceeds the aggregate outstanding principal amount of the CDS Spread CLN Notes

If the Reference Entity Notional Amount for any Reference Entity exceeds the aggregate outstanding principal amount of the CDS Spread CLN Notes, the return on investment in the CDS Spread CLN Notes may be affected by the leverage embedded in such excess. Any gains or any losses on Noteholders' implied long position or implied short position will be magnified as a result of such embedded leverage as compared to any gains or any losses that an investor in the market would have realized or incurred, as applicable, if such investor held the same long position and the same short position as Noteholders' implied long and short positions except that the notional amounts of such investor's positions were equal to the aggregate outstanding principal amount of the CDS Spread CLN Notes, rather than the applicable Reference Entity Notional Amount. Accordingly, Noteholders' losses on the CDS Spread CLN Notes may be significantly greater than any losses that may be incurred by an investor in the market who had taken the same long and short positions as them but without such embedded leverage. Therefore, in the extreme case, it is possible that Noteholders may lose all of their investment in the CDS Spread CLN Notes where an investor in the market with the same positions but without such embedded leverage may lose only a portion of their investment.

Conflicts of Interest – delivery of certain notices and exercise of certain options

Under the terms of the CDS Spread CLN Notes, the Issuer or the relevant Calculation Agent may have the discretion to deliver certain notices and exercise certain options relating to both Reference Entities. Noteholders will have an implied long position on the Long Reference Entity and an implied short position on the Short Reference Entity, whereas the Issuer could be viewed as having an opposing financial position in that it has an implied short position on the Long Reference Entity and an implied long position on the Short Reference Entity. Thus, in certain circumstances, the interests of the Issuer or its affiliates may be opposed to the interests of Noteholders and they will be entitled to and may act without regard to the interests of Noteholders.

Noteholders' return may be reduced by the related Unwind Costs

If a Credit Event occurs (and the Conditions to Settlement are satisfied) with respect to only one Reference Entity prior to the CLN Maturity Date, Noteholders' return may be reduced by the Unwind Costs related to Noteholders' implied credit position with respect to the other Reference Entity. Neither the Issuer nor any affiliate thereof makes any assurance or prediction with respect to the amount of any Unwind Costs. Because Unwind Costs are not subject to any cap, in the extreme case, it is possible that Unwind Costs may reduce all or a substantial portion of Noteholders' investment in the CDS Spread CLN Notes.

RISKS RELATING TO NOTES DENOMINATED IN RENMINBI

Renminbi is not freely convertible and there are significant restrictions on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Notes denominated in Renminbi ("Renminbi Notes")

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi into and out of the PRC for the settlement of capital account items, such as capital contributions, debt financing and securities investment 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 is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are being adjusted from time to time to match the policies of the PRC Government.

Although the People's Bank of China ("**PBoC**") has implemented policies improving accessibility to Renminbi to settle cross-border transactions in the past, there is no assurance that the PRC Government will liberalize control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilization will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Despite the Renminbi internationalization pilot program and efforts in recent years to internationalize the currency, there can be no assurance that the PRC Government will not impose interim or long-term restrictions on the crossborder remittance of Renminbi. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under Notes denominated in Renminbi.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of Renminbi Notes and the Issuer's ability to source Renminbi outside the PRC to service Renminbi Notes

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the PBoC has entered into agreements (the "**Settlement Arrangements**") on the clearing of Renminbi business with financial institutions (the "**Renminbi Clearing Banks**") in a number of financial centers and cities, including but not limited to Hong Kong, and has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement and is further in the process of establishing Renminbi clearing and settlement mechanisms in

several other jurisdictions, the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by the PBoC on Renminbi business participating banks in respect of crossborder Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC, although the PBoC has gradually allowed participating banks to access the PRC's onshore inter-bank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks only have limited access to onshore liquidity support from the PBoC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the participating banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi 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 new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of Renminbi Notes. To the extent that the Issuer is required to source Renminbi in the offshore market to service its Renminbi Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in Renminbi Notes is subject to exchange rate risks

The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The PBoC has in recent years implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made in Renminbi with respect to Renminbi Notes unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of Renminbi Notes in that foreign currency will decline. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in Renminbi Notes.

Investment in Renminbi Notes is subject to currency risk

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on Renminbi Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each, as defined in "*Certain Definitions*"), the Issuer shall be entitled, on giving not less than five or more than 30 calendar days' irrevocable notice to the investors prior to the due date for payment, to settle any such payment in U.S. Dollars on the due date at the U.S. Dollar Equivalent (as defined in "*Certain Definitions*") of any such interest or principal, as the case may be.

Investment in Renminbi Notes is subject to interest rate risks

The PRC Government has gradually liberalized its regulation of interest rates in recent years. Further liberalization may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC laws and regulations and prevailing market conditions.

As Renminbi Notes may carry a fixed interest rate, the trading price of Renminbi Notes will consequently vary with the fluctuations in the Renminbi interest rates. If holders of Renminbi Notes propose to sell their Renminbi Notes before their maturity, they may receive an offer lower than the amount they have invested.

Payments with respect to Renminbi Notes may be made only in the manner designated in the Renminbi Notes

All payments to investors in respect of Renminbi Notes will be made solely (i) for so long as Renminbi Notes are represented by global certificates held with the common depositary or common safekeeper, as

the case may be, for Clearstream, Luxembourg and Euroclear or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong, (ii) for so long as Renminbi Notes are represented by global certificates lodged with a sub-custodian for or registered with the CMU, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures or, (iii) for so long as Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Gains on the transfer of Renminbi Notes may become subject to income taxes under PRC tax laws

Under the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realized on the transfer of Renminbi Notes by non-PRC resident enterprises or individual Noteholders may be subject to PRC enterprise income tax ("**EIT**") or PRC individual income tax ("**IIT**") if such gain is regarded as income derived from sources within the PRC. The PRC Enterprise Income Tax Law levies EIT at the rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident enterprises from the transfer of Renminbi Notes but its implementation rules have reduced the EIT rate to 10 per cent. The PRC Individual Income Tax Law levies IIT at a rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident individual Noteholder from the transfer of Renminbi Notes.

However, uncertainty remains as to whether the gain realized from the transfer of Renminbi Notes by non-PRC resident enterprises or individual Noteholders would be treated as income derived from sources within the PRC and thus become subject to EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong for the avoidance of double taxation, Noteholders who are residents of Hong Kong, including enterprise Noteholders and individual Noteholders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of Renminbi Notes.

Therefore, if enterprise or individual resident Noteholders which are non-PRC residents are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes, unless there is an applicable tax treaty between the PRC and the jurisdiction in which such non-PRC enterprise or individual Noteholders of Renminbi Notes reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Renminbi Notes may be materially and adversely affected.

Remittance of proceeds in Renminbi into or out of the PRC

In the event that the Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there is no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, that they will not be revoked or amended in the future.

There is no assurance that the PRC Government will continue to gradually liberalize its control over crossborder Renminbi remittances in the future, that the PRC Government will not impose any interim or long- term restrictions on capital inflow or outflow which may restrict cross-border Renminbi remittances, that the pilot schemes introduced will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that the Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Issuer subsequently is not able to repatriate funds out of the PRC in Renminbi, it will need to source Renminbi outside the PRC to finance its obligations under the Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

RISKS RELATING TO THE MARKET GENERALLY

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk and legal investment risk.

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices

that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. In addition, the ability of the Dealers to make a market in the Notes (if applicable) may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes (as appropriate) in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease: (1) the Investor's Currency-equivalent yield on the Notes; (2) the Investor's Currency-equivalent value of the principal payable on the Notes; and (3) the Investor's Currency-equivalent market value of the Notes.

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

DOCUMENTS INCORPORATED BY REFERENCE

No financial information of the Issuer is included in this Information Memorandum. The Issuer is a 100 per cent. owned finance subsidiary of the Guarantor and investors in the Notes have the benefit of the Guarantee from the Guarantor and should rely solely on the financial information of the Guarantor contained herein.

The following documents (excluding all information incorporated by reference in any such documents either expressly or implicitly) shall be deemed to be incorporated in, and to form part of, this Information Memorandum.

A. The audited financial statements (including the notes and the auditors' report in respect thereof) of the Guarantor for the financial year ended 31 December 2025 as set out on pages 77 to 178 (inclusive) and page 180 in the 2025 Annual Report to stockholders of the Guarantor ("**Guarantor's 2025 Annual Report**").

B. (i) The audited financial statements (including the notes and the auditors' report in respect thereof) of the Guarantor for the financial year ended 31 December 2024 as set out on pages 79 to 182 (inclusive) and page 184 and (ii) the sections entitled "*Consent Orders with the Consumer Financial Protection Bureau and Office of the Comptroller of the Currency Regarding Compliance Risk Management Program*" and "*Consent Order with the OCC Regarding Loss Mitigation Activities*" on page 2 in the section entitled "*Financial Review – Overview*", each in the 2024 Annual Report to stockholders of the Guarantor.

C. The 2026 Proxy Statement of the Guarantor pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") dated 18 March 2026.

D. The 2025 Proxy Statement of the Guarantor pursuant to Section 14(a) of the Exchange Act dated 19 March 2025.

E. The 2024 Proxy Statement of the Guarantor pursuant to Section 14(a) of the Exchange Act dated 18 March 2024.

F. The terms and conditions, described in the section entitled "*Description of the Notes*" as set out in pages 39 to 152 of the information memorandum dated 17 September 2018 relating to the Programme.

G. The terms and conditions, described in the section entitled "*Description of the Notes*" as set out in pages 55 to 181 of the information memorandum dated 19 October 2023 relating to the Programme.

The financial information incorporated by reference above is available as follows:

Information Incorporated by Reference	**Reference**
Financial Statements for the year ended 31 December 2025	
Consolidated Statement of Income	Page 77
Consolidated Statement of Comprehensive Income	Page 78
Consolidated Balance Sheet	Page 79
Consolidated Statement of Changes in Equity	Page 80
Consolidated Statement of Cash Flows	Page 81
Notes to the Financial Statements	Pages 82 – 175
Report of Independent Registered Public Accounting Firm	Pages 176 – 178
Financial Statements for the year ended 31 December 2024	
Consolidated Statement of Income	Page 79
Consolidated Statement of Comprehensive Income	Page 80
Consolidated Balance Sheet	Page 81
Consolidated Statement of Changes in Equity	Page 82
Consolidated Statement of Cash Flows	Page 83

Notes to the Financial Statements	Pages 84 – 178
Report of Independent Registered Public Accounting Firm	Pages 179 – 182

In addition, (i) any subsequently published financial statements or interim financial statements (whether audited or unaudited) contained in an annual report on Form 10-K or a quarterly report on Form 10-Q of the Guarantor, and any subsequently published proxy statement of the Guarantor pursuant to Section 14(a) of the Exchange Act; and (ii) any supplement to the Guarantor's U.S.$50,000,000,000 Euro Medium Term Note Programme which is admitted to listing on the Official List of the FCA and to trading on the Main Market of the London Stock Exchange plc (other than a supplement that relates to the terms and conditions of notes issued under such programme), shall be deemed to be incorporated in, and to form part of, this Information Memorandum.

Any information contained in any of the documents specified above which is not incorporated by reference in this Information Memorandum is either not relevant to investors or is covered elsewhere in this Information Memorandum and, for the avoidance of doubt, unless specifically incorporated by reference into this Information Memorandum, information contained on the website of the Issuer/Guarantor does not form part of this Information Memorandum.

If any documents incorporated by reference in this Information Memorandum incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Information Memorandum.

Any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement modifies or supersedes such earlier statement (whether expressly, by implication, or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute part of this Information Memorandum.

Copies of the documents in (A) to (D) above (inclusive) incorporated by reference in this Information Memorandum may be inspected, free of charge, on the Issuer's/Guarantor's website at www.wellsfargo.com. The Issuer and the Guarantor will, in the event of any significant new factor, material mistake or material inaccuracy relating to information contained in this Information Memorandum which may affect the assessment of any Notes, prepare a supplement to this Information Memorandum or, as the case may be, a Drawdown Information Memorandum or new Information Memorandum, for use in connection with any subsequent issue of Notes.

PRICING SUPPLEMENT, DRAWDOWN INFORMATION MEMORANDUM AND SUPPLEMENTS

In this section the expression "necessary information" means, in relation to any Tranche of Notes, the information necessary which is material to investors for making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Guarantor and of the rights attaching to the Notes and of the reasons for an issue of Notes and its impact on the Issuer and the Guarantor. In relation to the different types of Notes which may be issued under the Programme, the Issuer and the Guarantor have included in this Information Memorandum all of the necessary information except for information relating to the Notes which is not known at the date of this Information Memorandum and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Information Memorandum and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Pricing Supplement or in a Drawdown Information Memorandum. Such information will be contained in the relevant Pricing Supplement, unless any of such information constitutes a significant new factor relating to the information contained in this Information Memorandum in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, may be contained in a Drawdown Information Memorandum.

For each Tranche of Notes the Pricing Supplement will, for the purposes of that Tranche only, supplement, amend and/or replace this Information Memorandum and must be read in conjunction with this Information Memorandum. The terms applicable to any particular Tranche of Notes are the terms of the Indenture as supplemented, amended and/or replaced to the extent described in the relevant Pricing Supplement.

In the case of a Tranche of Notes which is the subject of a Drawdown Information Memorandum, each reference in this Information Memorandum to information being specified or identified in the relevant Pricing Supplement shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Information Memorandum unless the context requires otherwise.

Following the preparation of this Information Memorandum a supplement may be prepared by the Issuer 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 Information Memorandum. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

FORMS OF NOTES

Bearer Notes

Notes in bearer form may only be issued to the extent that they are classified as being in registered form for U.S. tax purposes.

Each Tranche of Notes in bearer form will initially be in the form of either a temporary global note (the "**Temporary Global Note**"), without interest coupons, or a permanent global note (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Bearer Note**") which is not intended to be issued in NGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the issue date of the relevant Tranche of the Notes with either (a) a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"); (b) in respect of CMU Notes, a sub-custodian nominated by the HKMA as operator of the CMU; and/or (c) any other relevant clearing system.

Each Global Note which is intended to be issued in NGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006, the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "**Eurosystem**"), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Pricing Supplement will indicate whether such Bearer Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.

In the case of Notes issued by the Issuer, where the Notes have a maturity of 183 days (including unilateral rights to rollover or extend) or less, such Notes must (i) have a face or principal amount of not less than U.S.$500,000 (as determined based on the spot rate on the date of issuance, if denominated in a currency other than the U.S. dollar); (ii) be issued in accordance with United States Treasury Regulation 1.163-5(c)(2)(i)(D), other than the certification requirement thereof; and (iii) have on their face a legend to the following effect:

> "By accepting this obligation, the holder represents and warrants that it is not a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder) and that it is not acting for or on behalf of a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder)."

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, from the 40th day after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer)

of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

(i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of: (A) in respect of Notes other than CMU Notes, the Principal Paying Agent; or (B) in respect of CMU Notes, the CMU Lodging and Paying Agent; and

(ii) receipt by: (A) in respect of Notes other than CMU Notes, the Principal Paying Agent; or (B) in respect of CMU Notes, the CMU Lodging and Paying Agent, of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; **provided**, **however**, **that** in no circumstances shall the principal amount of such Permanent Global Note exceed the initial principal amount of the relevant Temporary Global Note.

The CMU may require that any such exchange for a Permanent Global Note is made in whole and not in part, and in such event no such exchange will be effected until all relevant account holders (as shown in the records of the CMU at the relevant time) in respect of such Temporary Global Note have provided such certification as described in paragraph (ii) above.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Notes in definitive form ("**Definitive Notes**") from the 40th day after the issue date of the relevant Tranche of the Notes.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of such Temporary Global Note to the bearer of such Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable)within 30 days of the bearer requesting such exchange.

For the avoidance of doubt, if Notes are to be issued with a minimum Specified Denomination and in integral multiples of another smaller amount in excess thereof as specified in the relevant Pricing Supplement, the Notes cannot be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

(i) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or

(ii) at any time, at a Noteholder's request, or if so specified in the relevant Pricing Supplement; or

(iii) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Permanent Global Note", then if: (a) Euroclear, Clearstream, Luxembourg, the CMU or any other relevant clearing system in which the Permanent Global Note is held is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or does in fact do so and no other clearing system acceptable to the Trustee is then in existence; or (b) any of the circumstances described in "*Events of Default*" occurs and the Notes become due and payable.

For the avoidance of doubt, Notes will only be issued with a minimum Specified Denomination and in integral multiples of another smaller amount in excess thereof if the relevant Pricing Supplement specifies that the Permanent Global Note is exchangeable only "in the limited circumstances described in the Permanent Global Note" in accordance with paragraph (iii) above.

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of such Permanent Global Note to the bearer of such Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable), within 30 days of the bearer requesting such exchange.

Notes with a maturity of more than 183 days (including unilateral rights to rollover or extend) may not be issued in the form "Permanent Global Note Exchangeable for Definitive Notes".

Registered Notes

Each Tranche of Registered Notes will be initially represented by a global Note in registered form (a "**Global Registered Note**"), which will be exchangeable in accordance with its terms for duly authorized and completed individual note certificates in registered form ("**Individual Note Certificates**").

In a press release dated 22 October 2008, "*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*", the ECB announced that it had assessed the new holding structure and custody arrangements for registered notes which the International Central Securities Depositories ("**ICSDs**") had designed in cooperation with market participants and that Notes to be held under the NSS would be in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations"* of the Eurosystem, subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form would be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 would only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

The relevant Pricing Supplement will indicate whether such Registered Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Notes are to be so held does not necessarily mean that the Registered Notes of the relevant Tranche will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.

Each Global Registered Note will be:

(i) in the case of a Note which is not intended to be held under the New Safekeeping Structure, either:

  (a) in respect of Notes other than CMU Notes, registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary and will be exchangeable in accordance with its terms; or

  (b) in respect of CMU Notes, lodged with a sub-custodian nominated by the HKMA as operator of the CMU on or about the issue date and will be exchangeable in accordance with its terms; or

(ii) in the case of a Note which is intended to be held under the New Safekeeping Structure, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the relevant Pricing Supplement specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for Individual Note Certificates:

(i) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or

(ii) at any time, if so specified in the relevant Pricing Supplement; or

(iii) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Global Registered Note", then if: (a) Euroclear, Clearstream, Luxembourg, the CMU or any other relevant clearing system in which the Global Registered Note is held is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or does in fact cease to do so and no other clearing system acceptable to the Trustee is then in existence; or (b) any of the circumstances described in "*Events of Default*" occurs and the Notes become due and payable.

Whenever a Global Registered Note is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of such Global Registered Note within five business days of the delivery, by or on behalf of the registered holder of such Global Registered Note to the relevant Registrar 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 such Global Registered Note at the Specified Office of the relevant Registrar.

Such exchange will be effected in accordance with the provisions of the Indenture and 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 relevant Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

DESCRIPTION OF THE NOTES

This section describes the material terms, conditions and provisions of the Notes to which any Pricing Supplement may relate. The particular terms of the Notes offered will be described in the relevant Pricing Supplement and in such Notes and the extent, if any, to which the general provisions described below may apply to those Notes. Definitions of certain terms used in this description can be found under the subheading "*Certain Definitions*". Capitalized terms used but not defined in this section have the meanings given to them elsewhere in this Information Memorandum, in the relevant Pricing Supplement or in the Indenture (as each term is defined herein), as the case may be. The following is a description of the terms and conditions of the Notes which, as supplemented, modified or replaced in relation to any Notes of any Series by the relevant Pricing Supplement, and as set forth in the Indenture (as each term is defined herein), as the case may be, will be applicable to each Series of the Notes.

General

The Notes will be offered under the Indenture. Payment on the notes is fully and unconditionally guaranteed by the Guarantor, Wells Fargo & Company, as provided in the Indenture.

The Noteholders and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Indenture applicable to them.

Notes issued under the Programme are issued in Series and each Series may comprise one or more Tranches of Notes. Each Tranche is the subject of a Pricing Supplement that supplements this "*Description of the Notes*". The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). All references in this "*Description of the Notes*" to "Notes" are to the Notes that are the subject of the relevant Pricing Supplement. Copies of the relevant Pricing Supplement are available for viewing during normal business hours and copies may be obtained from the Specified Office(s) of the relevant Paying Agent(s) (including the initial Specified Office of the Principal Paying Agent in respect of Notes other than CMU Notes and the initial Specified Office of the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable)) being set out herein.

The Notes are limited to an aggregate principal amount of up to U.S.$5,000,000,000 outstanding at any time. This includes, in the case of Notes denominated in one or more other currencies or composite currencies, the equivalent thereof in U.S. dollars calculated at the exchange rate contained in the H.10 release (or its successor) published by the U.S. Federal Reserve Board (the "**Market Exchange Rate**") on the relevant Issue Date. The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders 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.

The Notes will mature on the Maturity Date indicated in the relevant Pricing Supplement and may be subject to redemption or early repayment at the option of the Issuer or Noteholders, all as further described in the section entitled "*Redemption and Purchase*".

Each Note will be denominated in U.S. dollars or in another currency specified in the relevant Pricing Supplement. For a further discussion, see "*Payments*".

The Notes are unsecured obligations of the Issuer. The Notes are not deposits or other obligations of a depository institution and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental agency.

The Guarantee

The Guarantor will fully and unconditionally guarantee, on an unsecured basis, the full and punctual payment of the principal of, interest on, and all other amounts payable under the Notes and the Indenture when the same becomes due and payable, whether at maturity or upon redemption, repayment at the option of Noteholders, upon acceleration or otherwise.

If for any reason the Issuer does not make any required payment in respect of the Notes when due, the Guarantor will on demand pay the unpaid amount at the same place and in the same manner that applies to payments made by the Issuer under the Indenture. The guarantee is of payment and not of collection.

The Guarantor's obligations under the guarantee are unconditional and absolute.

However:

- the Guarantor will not be liable for any amount of payment that the Issuer is excused from making or any amount in excess of the amount actually due and owing by the Issuer; and

- any defenses or counterclaims available to the Issuer (except those resulting solely from, or on account of, the Issuer's insolvency or the Issuer's status as debtor or subject of a bankruptcy or insolvency proceeding) will also be available to the Guarantor to the same extent as these defenses or counterclaims are available to the Issuer, whether or not asserted by the Issuer.

Noteholders are direct creditors of the Issuer, as well as direct creditors of the Guarantor under the Guarantee. As a finance subsidiary, the Issuer has no independent operations beyond the issuance and administration of its securities and will have no independent assets available for distributions to Noteholders if they make claims in respect of the Notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by Noteholders will be limited to those available under the Guarantee and that guarantee will rank *pari passu* with all other unsecured, unsubordinated obligations of the Guarantor. Noteholders should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of the Guarantor, including holders of unsecured, unsubordinated debt securities issued by the Guarantor.

The assets of the Guarantor consist primarily of equity in its subsidiaries, and the Guarantor is a separate and distinct legal entity from its subsidiaries. As a result, the Guarantor's ability to address claims of Noteholders against the Guarantor under the Guarantee depends on its receipt of dividends, loan payments and other funds from its subsidiaries. Various federal and state statutes and regulations limit the amount of dividends that banking and other subsidiaries may pay to the Guarantor without regulatory approval. In addition, if any of the Guarantor's subsidiaries becomes insolvent, the direct creditors of that subsidiary will have a prior claim on its assets. The rights of the Guarantor and the rights of its creditors, including the rights of Noteholders under the Guarantee, will be subject to that prior claim unless the Guarantor is also a direct creditor of that subsidiary.

Status of Notes

The Notes will constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Form, Denomination and Title

The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder.

Bearer Notes

Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Pricing Supplement, Talons attached at the time of issue, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements; **provided that** Bearer Notes which are offered to the public in any Member State or in the United Kingdom will be issued in minimum denominations of at least EUR100,000 (or its equivalent in another currency). In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.

Registered Notes

Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements; **provided that** Registered Notes which are offered to the public in any Member State or in the United Kingdom will be issued in minimum denominations of at least EUR100,000 (or its equivalent in another currency).

The relevant Registrar will maintain the relevant Note Register in accordance with the provisions of the Indenture.

A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number that will be recorded in the relevant Note Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered Note is for the time being registered in the relevant Note Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.

Subject to the third and fourth succeeding paragraphs, a Registered Note may be transferred in whole or in part upon surrender of the relevant Note Certificate, or the relevant part of the Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the relevant Registrar or any relevant Transfer Agent, together with such evidence as such Registrar or (as the case may be) such relevant Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided**, **however**, **that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

Within 10 business days of the surrender of a Note Certificate in accordance with the preceding paragraph (or such longer period as may be required to comply with any fiscal or other laws or regulation), the relevant Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes (or the relevant part of the Note Certificate(s)) transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any relevant Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In the case of the transfer of part only of an Individual Note Certificate, a new Individual Note Certificate in respect of the balance of the Registered Note transferred will be delivered or (at the request and risk of any such relevant Holder) sent to the transferor. In this paragraph, "business day" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the relevant Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the relevant Registrar or any relevant Transfer Agent but against such indemnity as such relevant Registrar or such relevant Transfer Agent (as the case may be) may require in respect of any tax or other duty of whatsoever nature that may be levied or imposed in connection with such transfer.

Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.

All transfers of Registered Notes and entries on the relevant Note Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Indenture. The regulations may be changed by the Issuer with the prior written approval of the relevant Registrar and the relevant Transfer Agent(s). A copy of the current regulations will be mailed (free of charge) by the relevant Registrar to any Noteholder who requests in writing a copy of such regulations.

Global Notes

In relation to any Tranche of Bearer Notes represented by a Global Bearer Note, references in this "*Description of the Notes*" to "Noteholder" are references to the bearer of the relevant Global Bearer Note which, for so long as the Global Bearer Note is held by a depositary. a common depositary or (in the case of CMU Notes) a sub-custodian for the CMU, in the case of a classic Global Bearer Note, or a common

safekeeper, in the case of a new Global Bearer Note, for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary, sub-custodian for the CMU or, as the case may be, common safekeeper.

In relation to any Tranche of Registered Notes represented by a Global Registered Note, references in this "*Description of the Notes*" to "Noteholder" are references to the person in whose name such Global Registered Note is for the time being registered in the relevant Note Register which, for so long as the Global Registered Note is held by or on behalf of a depositary, a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or (in the case of CMU Notes) a sub-custodian for the CMU, will be that depositary or common depositary or common safekeeper or sub-custodian or a nominee for that depositary or common depositary or common safekeeper or sub-custodian.

In respect of Notes other than CMU Notes, each of the 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 Bearer Note or Global Registered Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer or the Guarantor to the holder of such Global Bearer Note or Global Registered Note and in relation to all other rights arising under such Global Bearer Note or Global Registered Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Bearer Note or Global Registered Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Bearer Note or Global Registered Note, Accountholders shall have no claim directly against the Issuer or the Guarantor in respect of payments due under the Notes and such obligations of the Issuer and the Guarantor will be discharged by payment to the holder of the Global Bearer Note or Global Registered Note.

In respect of CMU Notes, any payments by the Issuer or the Guarantor in respect of a Global Bearer Note or Global Registered Note shall be made to the person(s) for whose account(s) interests in the relevant Global Bearer Note or Global Registered Note are credited by the CMU and, save in the case of final payment, no presentation of the relevant Global Bearer Note or Global Registered Note shall be required for such purpose.

Exchange of Temporary Global Notes

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

(a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of a New Global Note, effectuated, to the bearer of the Temporary Global Note; or

(b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case: (A) in respect of Notes other than CMU Notes, in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Principal Paying Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within seven days of the bearer requesting such exchange or (B) in respect of CMU Notes, in an aggregate principal amount equal to the aggregate of the principal amounts specified in the records of the CMU and received by the CMU Lodging and Paying Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the CMU Lodging and Paying Agent within seven days of the bearer requesting such exchange.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of either the Principal Paying

Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) within 30 days of the bearer requesting such exchange.

Exchange of Permanent Global Notes

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) within 30 days of the bearer requesting such exchange.

Exchange of Global Registered Notes

Whenever the Global Registered Note is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within 30 business days of the delivery, by or on behalf of the registered holder of the Global Registered Note to the relevant Registrar 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 Registered Note at the Specified Office of the relevant Registrar.

Such exchange will be effected in accordance with the provisions of the Indenture and 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 relevant Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Conditions applicable to Global Bearer Notes and Global Registered Notes

The following is a summary of certain provisions of the Indenture as they apply to a Global Bearer Note or Global Registered Note.

All payments in respect of the Global Bearer Note or Global Registered Note that require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Bearer Note or Global Registered Note to or to the order of any relevant Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Bearer Note, the Issuer shall procure that in respect of a classic Global Note the payment is noted in a schedule thereto and in respect of a new Global Note the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg. On each occasion on which a payment of principal or interest is made in respect of a Global Registered Note, the Issuer shall procure that in respect of a Global Registered Note that is not held under the New Safekeeping Structure ("**NSS**") that the payment is recorded by the relevant Registrar and that in respect of a Global Registered Note held under the NSS that payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

In the case of a Global Note, the Payment Business Day shall be: (i) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Center; (ii) if the currency of payment is Renminbi, a day on which banks and foreign exchange markets are open for business settlement of Renminbi payments in Hong Kong; or (iii) if the currency of payment is not euro or Renminbi, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Center of the currency of payment and in each (if any) Additional Financial Center.

In order to exercise the option described in "*Redemption and Purchase – Redemption at the Option of the Noteholders*" the bearer of the Permanent Global Note or the holder of the Global Registered Note must, within the period specified in the Indenture for the deposit of the relevant Note and put notice, give written notice of such exercise to either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) specifying the principal

amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

In connection with an exercise of the option described in "*– Redemption and Purchase – Redemption at the Option of the Issuer*" in relation to only some of the Notes, the Permanent Global Note or Global Registered Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Indenture and the Notes to be redeemed will not be selected as provided in the Indenture but in accordance with: (i) in respect of Notes other than CMU Notes, the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion); or (ii) the CMU in respect of CMU Notes (to be reflected in the records of the CMU (as applicable) as either a pool factor or reduction in principal amount, at its discretion).

Each payment in respect of a Global Registered Note will be made to the person shown as the Holder in the relevant Note Register at: (a) in respect of Notes other than CMU Notes, the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment; or (b) in respect of CMU Notes, the fifteenth Clearing System Business Day before the due date for payment (the "**Record Date**"), where "Clearing System Business Day" means a day on which each clearing system for which the Global Registered Note is being held is open for business. **provided, however, that**, payments in respect of Global Registered Notes held in the CMU will be made to the person(s) shown in the records of the CMU or otherwise as being credited with the interest(s) in the relevant Global Registered Note in accordance with the CMU Rules at the close of business on the applicable Record Date. Payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

Notwithstanding anything to the contrary in the Indenture, while Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and such Permanent Global Note (or such Permanent Global Note and/or the Temporary Global Note) or Global Registered Note is: (a) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, or in the case of CMU Notes only, a sub-custodian for the CMU, notices to Holders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, the CMU and/or any other relevant clearing system (as applicable) and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with the Indenture on the date of delivery to Euroclear and/or Clearstream, Luxembourg, the CMU and/or any other relevant clearing system.

Payments

Bearer Notes

Payments of principal shall be made by transfer to the registered account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Center of that currency, and (in the case of redemption) upon surrender of the relevant Note at the Specified Office of any relevant Paying Agent. In respect of Bearer Notes denominated in Renminbi, "**registered account**" means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

Payments of interest shall, subject to the second succeeding paragraph, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any relevant Paying Agent outside the United States in the manner described in the preceding paragraph.

Payments of principal and interest in respect of Bearer Notes held in the CMU will be made to the Relevant Person(s) (as defined in this paragraph) after deduction of any other withholding or deduction which is required to be withheld or deducted as notified to the CMU Lodging and Paying Agent by the CMU U.S. Withholding Tax Administration Agent. In this paragraph, "**Relevant Person(s)**" means the person(s) shown in the CMU Issue Position Report of each CMU Note at the close of business on the applicable Record Date, being the date falling fifteen (15) days prior to the relevant payment date. Payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

Payments of principal or interest may be made at the Specified Office of a relevant Paying Agent in the United States only if:

(i) the Issuer has appointed relevant Paying Agents outside the United States with the reasonable expectation that such relevant Paying Agents will be able to make payment of the full amount of the interest on the Bearer Notes in the currency in which the payment is due when due;

(ii) payment of the full amount of such interest at the offices of all such relevant Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions; and

(iii) payment is permitted by applicable United States law, without involving, in the opinion of the Issuer, any adverse tax consequences to the Issuer.

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any relevant Paying Agent outside the United States (or in New York City if permitted by the preceding paragraph). Save as provided below under "*Taxation*", payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer (or, in default, the Guarantor) or its respective relevant Agents agree to be subject and neither the Issuer nor the Guarantor will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

If the relevant Pricing Supplement specifies that the "Fixed Rate Note Provisions" are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided**, **however**, **that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

  (a) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided**, **however**, **that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

  (b) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided**, **however**, **that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in the first paragraph of this section against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

If the relevant Pricing Supplement specifies that unmatured Coupons are void or that the "Floating Rate Note Provisions", the "CMS Rate Note Provisions" or the "Index-Linked Note Provisions" are applicable, on the due date for final redemption of any Bearer Note or early redemption in whole of such Bearer Note pursuant to "*Redemption and Purchase – Redemption for Tax Reasons*", "*Redemption and Purchase – Redemption at the Option of the Noteholders*", "*– Redemption and Purchase – Redemption at the Option of the Issuer*", "*Events of Default*", all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

If a relevant Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to "*– Prescription*" below). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Bearer Note shall become void and no Coupon will be delivered in respect of such Talon.

Registered Notes

Payments of principal shall be made by transfer to the registered account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Center of that currency, and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any relevant Paying Agent, the relevant Registrar or a relevant Transfer Agent. In respect of Registered Notes denominated in Renminbi, "**registered account**" means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the relevant Note Register at the close of business on the fifth business day before the due date for payment.

Payments of interest shall be made by transfer to the registered account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Center of that currency, and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any relevant Paying Agent, the relevant Registrar or a relevant Transfer Agent.

Payments of principal and interest in respect of Registered Notes held in the CMU will be made to the Relevant Person(s) (as defined in this paragraph) after deduction of any other withholding or deduction which is required to be withheld or deducted as notified to the CMU Lodging and Paying Agent by the CMU U.S. Withholding Tax Administration Agent. In this paragraph, "**Relevant Person(s)**" means the person(s) shown in the CMU Issue Position Report of each CMU Note at the close of business on the applicable Record Date, being the date falling fifteen (15) days prior to the relevant payment date. Payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

Save as provided below under "*Taxation*", payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer (or, in default, the Guarantor) or its respective Agents agree to be subject and neither the Issuer nor the Guarantor will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated: (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a relevant Paying Agent; and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a Payment Business Day.

If a relevant Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the relevant Note Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Note Register at the opening of business in the place of the relevant Registrar's Specified Office on the fifteenth (in the case of a currency other than Renminbi) or the fifth (in the case of Renminbi) day before the due date for such payment (the "**Record Date**") **provided, however, that** each payment in respect of Registered Notes held in the CMU will be made to the Relevant Person(s) (as defined in this paragraph). In this paragraph, "**Relevant Person(s)**" means the person(s) shown in the records of the CMU or otherwise as being credited with the interest(s) in the relevant Registered Note in accordance with the CMU Rules at the close of business on the applicable Record Date. Payment made in accordance with thereof shall discharge the obligations of the Issuer in respect of that payment.

Renminbi denominated Notes – Payment of U.S. Dollar equivalent

In respect of Notes which are not CMU Notes and in relation to which the Specified Currency of denomination and payment is Renminbi, notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Notes when due in Renminbi in Hong Kong, the Issuer may, on giving either not less than five or more than 30 calendar days' in respect of Notes other than CMU Notes or not less than 40 or more than 60 calendar days' (as applicable) irrevocable notice to the Principal Paying Agent in respect of Notes other than CMU Notes and Holders as provided under "*Notices*" prior to the due date for payment, settle any such payment in U.S. Dollars on the due date (or if such date is not a Business Day, on the next succeeding Business Day) at the U.S. Dollar Equivalent of any such Renminbi denominated amount.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of these provisions by the relevant Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Trustee, the relevant Paying Agents and all Holders of such Notes.

Payments of amounts due (whether principal, interest or otherwise) in respect of Notes in relation to which the Specified Currency of denomination and payment is Renminbi and such payments will be made by credit or transfer to an account denominated in Renminbi and maintained by the payee with a bank in Hong Kong in accordance with applicable laws, rules and regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to settlement in Renminbi in Hong Kong). Payments of principal, interest and other amounts (if any) in respect of Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment but without prejudice to the provisions in "*Taxation*" below.

Taxation

The Issuer or the Guarantor shall, subject to the exceptions and limitations set forth below, pay to the holder of any Note or Coupon who is a United States Alien, such additional amounts as may be necessary so that every net payment of principal of, or interest on, such Note or Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed by the United States (or any political subdivision or any authority thereof or therein having power to tax), will not be less than the amount provided in such Note or in such Coupon to be then due and payable. However, the Issuer or the Guarantor will not be required to make any payment of additional amounts for or on account of:

(i) any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:

(A) having a relationship with the United States as a citizen, resident, or otherwise;

(B) having had such a relationship in the past; or

(C) being considered as having had such a relationship;

(ii) any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:

(A) being treated as present in or engaged in a trade or business in the United States;

(B) being treated as having been present in or engaged in a trade or business in the United States in the past;

(C) having or having had a permanent establishment in the United States; or

(D) having or having had a qualified business unit which has the United States dollar as its functional currency;

(iii) any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being or having been a (as each term is defined in the United States Internal Revenue Code):

(A) personal holding company;

(B) foreign personal holding company;

(C) foreign private foundation or other foreign exempt organization;

(D) passive foreign investment company;

(E) controlled foreign corporation; or

(F) corporation which has accumulated taxable income to avoid United States federal income tax;

(iv) any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner owning or having owned, actually or constructively, 10 per cent. or more of the total combined voting power of all classes of the Issuer's stock entitled to vote;

(v) any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank that has invested in the Note or Coupon as an extension of credit in the ordinary course of business;

(vi) any tax, assessment, or other governmental charge that is imposed or withheld by reason of the failure of the beneficial owner or any other person to comply with applicable certification, identification, documentation, or other information reporting requirements including the failure of the beneficial owner or any other person to provide a valid United States Internal Revenue Service Form W-8BEN or W-8BEN-E or substitute or successor form, or other certification of non-U.S. status;

(vii) any tax, assessment, or other governmental charge that is collected or imposed by any method other than by withholding from a payment on the Note or Coupon by the Issuer, the Guarantor or the relevant Paying Agent;

(viii) any tax, assessment, or other governmental charge that is imposed or withheld by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

(ix) any tax, assessment, or other governmental charge that is imposed or withheld by reason of the presentation by the beneficial owner for payment more than 30 days after the date on which such payment becomes due or is duly provided for, whichever occurs later;

(x) any:

(A) estate tax;

(B) inheritance tax;

(C) gift tax;

(D) sales tax;

(E) excise tax;

(F) transfer tax;

(G) wealth tax;

(H) personal property tax; or

(I) any similar tax, assessment, withholding, deduction or other governmental charge;

(xi) any tax, withholding, assessment or other governmental charge that is required to be paid or withheld from any payment under United States Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions) and any regulations or official interpretations thereof or any law, agreement or regulations implementing an intergovernmental approach thereto;

(xii) any tax, withholding, assessment or other governmental charge that is required to be paid or withheld from any payment under United States Internal Revenue Code Section 871 (or any amended or successor provisions) and any regulations or official interpretations thereof as a result of any payment being considered a "dividend equivalent" payment; or

(xiii) any combination of items (i) through (xii), above;

nor shall additional amounts be paid with respect to any payment of principal on a Note or Coupon to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent that a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the holder of such Note or Coupon.

In addition, if a transaction or events involving the Issuer or the Guarantor shall occur in which the Issuer, the Guarantor or a successor corporation of either is not organized or existing under the laws of the United States or in which the Issuer, the Guarantor or such successor corporation becomes a resident of a country other than the United States, the Issuer or the Guarantor shall pay to the holder of any Note or Coupon such additional amounts as may be necessary so that every net payment to the holder of principal of, or interest on, such Note or Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the jurisdiction ("**Successor Jurisdiction**") in which the Issuer, the Guarantor or any successor corporation is organized or existing or the Issuer or the Guarantor becomes resident (or any political sub-division or taxing authority thereof or therein) will not be less than the amount provided in such Note or Coupon to be then due and payable, **provided that** such additional amounts need not be paid in the circumstances set forth in paragraphs (i) to (xiii) (inclusive above).

CMU Notes

Each holder of CMU Notes or an interest therein, by acceptance of such CMU Notes or such interest in such CMU Notes, will be deemed to have agreed to provide the CMU Lodging and Payment Agent and the CMU U.S. Withholding Tax Administration Agent with the Holder Tax Identification Information and Holder FATCA Information.

In addition, each holder of CMU Notes will be required or deemed to understand and acknowledge that the CMU Lodging and Paying Agent has the right, under the Indenture, to withhold interest payable with respect to the CMU Notes (without any corresponding gross-up) if any beneficial owner of an interest in such CMU Notes fails to comply with the foregoing requirements.

Interest and Interest Rates

Save as specified in the relevant Pricing Supplement, the Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, **provided that** if the Specified Currency is Renminbi and any Interest Payment Date falls on a day which

is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day and subject as provided above under "*– Payments – Bearer Notes*" and "*– Payments – Registered Notes*", as the case may be. Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance herewith (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day that is seven days either after the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

Fixed Rate Note Provisions

Subject in respect of Dual Currency Notes or Reverse Dual Currency Notes to the provisions in respect of "*– Dual Currency/Reverse Dual Currency Notes*", if the relevant Pricing Supplement specifies that the "Fixed Rate Note" Provisions are applicable and a Fixed Coupon Amount is applicable, the amount of interest payable in respect of each Note with a fixed interest rate ("**Fixed Rate Notes**") for any Interest Period shall be the relevant Fixed Coupon Amount **provided that** if the Specified Currency is Renminbi, the Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01 (CNY0.005 being rounded upwards) and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination. Payments of interest on any Interest Payment Date will, if so specified in the relevant Pricing Supplement, amount to the Broken Amount so specified.

Subject in respect of Dual Currency Notes or Reverse Dual Currency Notes to the provisions in respect of "*– Dual Currency/Reverse Dual Currency Notes*" and in respect of Range Accrual Notes to the provisions in respect of "*Range Accrual Note Provisions*", the amount of interest payable in respect of each Fixed Rate Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Floating Rate Note Provisions

Interest on Notes with a floating interest rate ("**Floating Rate Notes**") will be determined in the manner set forth in the relevant Pricing Supplement, which may, as described below, include:

(i) Screen Rate Determination;

(ii) CMS Rate Determination;

(iii) ISDA Rate Determination; or

(iv) such other interest rate formula as may be specified in the relevant Pricing Supplement.

The relevant Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Floating Rate Note for such Interest Period. Subject in respect of Dual Currency Notes or Reverse Dual Currency Notes to the provisions in respect of "*– Dual Currency/Reverse Dual Currency Notes*" and in respect of Range Accrual Notes to the provisions in respect of "*– Range Accrual Note Provisions*", the Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other

than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

If the relevant Pricing Supplement specifies that any other amount is to be calculated by a Calculation Agent, the relevant Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the relevant Calculation Agent in the manner specified in the relevant Pricing Supplement.

The relevant Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the relevant Paying Agents and, in the case of the Principal Paying Agent, each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation, as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) except in the case of Floating Rate Notes referencing SONIA, SONIA Compounded Index, SOFR or SOFR Compounded Index in which case "*– Screen Rate Determination for Floating Rate Notes referencing SONIA*", "*– Screen Rate Determination for Floating Rate Notes referencing SOFR*" and "*– Index Determination for Floating Rate Notes*" shall apply respectively, in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The relevant Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the relevant Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes hereof by the relevant Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Trustee, the relevant Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the relevant Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

Unless otherwise specified in the relevant Pricing Supplement, the relevant Calculation Agent shall (subject to "Concerning the Principal Paying Agent, the CMU Lodging and Paying Agent, the ICSD Registrar, the CMU Registrar, the ICSD Transfer Agent(s), the CMU Transfer Agent(s) and the Calculation Agent(s)" below) determine the Rate of Interest in accordance with the following provisions:

Screen Rate Determination for Floating Rate Notes other than Floating Rate Notes referencing SONIA, SONIA Compounded Index, SOFR or SOFR Compounded Index

If "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the relevant Calculation Agent on the following basis:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the relevant Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the relevant Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however that,** if the relevant Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

Screen Rate Determination for Floating Rate Notes referencing SONIA

If "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined and the "Reference Rate" is specified in the relevant Pricing Supplement as being "SONIA", the Rate of Interest applicable to the Notes for each Interest Period will be, subject as provided below, Compounded Daily SONIA plus or minus (as specified in the relevant Pricing Supplement) the Margin, all as determined by the relevant Calculation Agent.

As used herein:

"**Compounded Daily SONIA**", with respect to an Interest Period, will be calculated by the relevant Calculation Agent on the Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_i \text{ x } n_i}{365}\right)-1\right] \text{x } \frac{365}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

"$\mathbf{d_o}$" means the number of London Banking Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

"**i**" means a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

to, and including, the last London Banking Day in the relevant Interest Period (in the case of (i) above) or Observation Period (in the case of (ii) above);

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes are due and payable);

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"$\mathbf{n_i}$" means, for any London Banking Day "**i**" in the relevant Interest Period or Observation Period (as applicable), the number of calendar days from, and including, such London Banking Day "**i**" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of any Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which

is "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable) means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Pricing Supplement;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorized distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorized distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIA$_i$**" means, in respect of any London Banking Day "i", the SONIA Reference Rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant London Banking Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA rate in respect of any London Banking Day. The SONIA rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA rate for the previous London Banking Day but without compounding.

If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the relevant Calculation Agent determines that the SONIA Reference Rate is not available or has not been published by the relevant authorized distributors, the relevant Calculation Agent will determine such SONIA Reference Rate as being, subject to "*Benchmark Discontinuation - Independent Advisor*":

(i) (A) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (B) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference 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) to the Bank Rate; or

(ii) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorized distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorized distributors).

Subject to "*Benchmark Discontinuation – Independent Advisor*", if the Rate of Interest cannot be determined in accordance with the foregoing provision, the Rate of Interest shall be: (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period); or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

Screen Rate Determination for Floating Rate Notes referencing SOFR

If "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined and the "Reference Rate" is specified in the relevant Pricing Supplement as being "SOFR", the Rate of Interest applicable to the Notes for each Interest Period will be,

subject as provided below, Compounded SOFR plus or minus (as specified in the relevant Pricing Supplement) the Margin, all as determined by the relevant Calculation Agent.

As used herein:

"**Compounded SOFR**", with respect to an Interest Period, will be calculated by the relevant Calculation Agent on the Interest Determination Date in accordance with the following formula, with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \; x \; n_i}{360}\right)-1\right] x \; \frac{360}{d}$$

Where, for purposes of applying the above formula:

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

"$\mathbf{d_0}$", means the number of U.S. Government Securities Business Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

"***i***" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

to and including the last U.S. Government Securities Business Day in the relevant Interest Period (in the case of (i) above) or Observation Period (in the case of (ii) above);

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"$\mathbf{n_i}$" means, for any U.S. Government Securities Business Day "*i*" in the relevant Interest Period or Observation Period (as applicable), the number of calendar days from, and including, such U.S. Government Securities Business Day "*i*" to, but excluding, the following U.S. Government Securities Business Day ("**i+1**");

"**Observation Period**" means, in respect of any Interest Period, the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of U.S. Government Securities Business Days specified as the "Lag Period" or "Observation Shift Period" (as applicable) in the relevant Pricing Supplement;

"**SOFR**" means, with respect to any U.S. Government Securities Business Day:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); and

(ii) subject to "*Benchmark Discontinuation – SOFR*" below, if the rate specified above does not so appear, 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;

"**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;

"**SOFR$_i$**" means, in respect of any U.S. Government Securities Business Day "i", the SOFR for:

(i) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant U.S. Government Securities Business Day "i"; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Subject to "*– Benchmark Discontinuation – SOFR*", if the Rate of Interest cannot be determined in accordance with the foregoing provision, the Rate of Interest shall be: (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period); or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

Index Determination for Floating Rate Notes

If "Index Determination" is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be, subject as provided below, the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

$$\left(\frac{Compounded\ Index\ End}{Compounded\ Index\ Start} - 1\right) X \frac{Numerator}{d}$$

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the relevant Calculation Agent where:

"**Compounded Index**" shall mean either the SONIA Compounded Index or the SOFR Compounded Index, as specified in the relevant Pricing Supplement;

"**d**" is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

"**End**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to: (i) the Interest Payment Date for such Interest Period; or (ii) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"**Index Days**" means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

"**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;

"**Numerator**" means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

"**Relevant Decimal Place**" shall, unless otherwise specified in the Pricing Supplement, be the fifth decimal place rounded up or down, if necessary (with 0.000005 being rounded upwards);

"**Relevant Number**" is as specified in the relevant Pricing Supplement, but, unless otherwise specified shall be five;

"**SONIA Compounded Index**" means the Compounded Daily SONIA rate as published at 10:00 a.m. (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source;

"**SOFR Compounded Index**" for any U.S. Government Securities Business Day means the SOFR index value as published for such day by the Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source;

"**Start**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Provided that a Benchmark Event has not occurred in respect of the Compounded Index, if, with respect to any Interest Period, the relevant rate is not published for the Compounded Index either on the relevant Start or End date, then the relevant Calculation Agent shall calculate the rate of interest for that Interest Period as if SONIA Compounded Index or SOFR Compounded Index (as applicable) was not specified in the relevant Pricing Supplement and as if Compounded Daily SONIA (if SONIA Compounded Index applies) or Compounded SOFR (if SOFR Compounded Index applies) (as defined in "*– Screen Rate Determination for Floating Rate Notes referencing SONIA*" and in "*– Screen Rate Determination for Floating Rate Notes referencing SOFR*", respectively) had been specified instead in the relevant Pricing Supplement, and in each case "Observation Shift" had been specified as the Observation Method in the relevant Pricing Supplement, and where the Observation Shift Period for the purposes of the references to that term in "*– Screen Rate Determination for Floating Rate Notes referencing SONIA*" and in "*– Screen Rate Determination for Floating Rate Notes referencing SOFR*" (as applicable) shall be deemed to be the same as the Relevant Number (specified in the relevant Pricing Supplement) of U.S. Government Securities Business Days (in the case of SOFR Compounded Index) or London Banking Days (in the case of SONIA Compounded Index) and where, in the case of Compounded Daily SONIA, the Relevant Screen Page will be determined by the Issuer. For the avoidance of doubt, if a Benchmark Event has occurred in respect of the relevant Compounded Index, the provisions of "*– Benchmark Discontinuation - Independent Advisor*" shall apply.

CMS Rate Determination for CMS Rate Notes

If "CMS Rate Determination" is specified in the relevant Pricing Supplement as the manner in which Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to such Notes (the "**CMS Rate**

Notes") for each Interest Period will be the sum of the Margin and the CMS Rate (or the rate as determined in accordance with the provisions below) or, if a Margin Multiplier is specified in the relevant Pricing Supplement, the sum of: (a) the Margin; and (b) the CMS Rate (or the rate as determined in accordance with the provisions below) multiplied by the Margin Multiplier, as determined by the relevant Calculation Agent.

If the CMS Rate does not appear on the Relevant Screen Page at or around the Relevant Time, the relevant Calculation Agent shall determine a percentage on the basis of the mid-market semi-annual swap rate quotations provided by the Reference Banks at approximately 11:00 a.m. in the Principal Financial Center of the Specified Currency (or in respect of CMS Notes which are also Reverse Dual Currency Notes, the Equivalent Currency), on the relevant Interest Determination Date. The Issuer will request the principal office in the Principal Financial Center of the Specified Currency (or in respect of Reverse Dual Currency Notes, the Equivalent Currency) of each of the Reference Banks to provide a quotation of its rate to the relevant Calculation Agent, and

(i) if at least three quotations are provided, the rate for that Interest Determination Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest); or

(ii) if fewer than three quotations are provided, the rate for that Interest Determination Date will remain the rate for the immediately preceding Interest Period, or, if none, the rate will be the Initial Interest Rate as specified in the relevant Pricing Supplement.

For the purposes hereof:

"**CMS Floating Leg Rate**" means the Floating Rate Option (as defined in the ISDA Definitions) specified as such in the relevant Pricing Supplement with a Designated Maturity (as defined in the ISDA Definitions) of three months;

"**CMS Rate**" means the CMS Reference Rate which appears on the Relevant Screen Page at or around the Relevant Time on the relevant Interest Determination Date;

"**CMS Reference Rate**" means the Rate Option (as defined in the ISDA Definitions) specified as such in the relevant Pricing Supplement with a Designated Maturity (as defined in the ISDA Definitions) as specified in the relevant Pricing Supplement;

"**Reference Banks**" means five leading swap dealers selected by the Issuer in the relevant interbank market;

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at or around the Relevant Time as determined by the Issuer; and

"**semi-annual swap rate**" means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on basis of the relevant Day Count Fraction, of a fixed-for-floating Specified Currency (or in respect of Reverse Dual Currency Notes, the Equivalent Currency) interest rate swap transaction with a term equal to the Designated Maturity specified in the relevant Pricing Supplement commencing on that Interest Determination Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on basis of the CMS Day Count Fraction, is equivalent to the CMS Floating Leg Rate.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing paragraphs by the relevant Calculation Agent, the Rate of Interest shall be: (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, maximum Rate of Interest and/or minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or maximum Rate of Interest or minimum Rate of Interest relating to the relevant Interest Period in place of the Margin, maximum Rate of Interest and/or minimum Rate of Interest (as the case may be) relating to that last preceding Interest Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If the relevant Series of Notes become due and payable in accordance with the conditions set out in "*– Events of Default*", in respect of Notes to which the foregoing paragraphs apply, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Notes remain outstanding, be that determined on such date.

ISDA Rate Determination

If "ISDA Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the relevant Calculation Agent under an interest rate swap transaction if the relevant Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) if the relevant Pricing Supplement specifies either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(a) the Floating Rate Option is as specified in the relevant Pricing Supplement;

(b) the Designated Maturity, if applicable, is a period specified in the relevant Pricing Supplement;

(c) the relevant Reset Date is as specified in the relevant Pricing Supplement;

(d) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Pricing Supplement and:

(1) if Compounding with Lookback is specified as the Compounding Method in the relevant Pricing Supplement then: (a) Compounding with Lookback is the Overnight Compounding Method; and (b) Lookback is the number of Applicable Business Days specified in the relevant Pricing Supplement;

(2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Pricing Supplement then: (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method; (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Pricing Supplement; and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Pricing Supplement; or

(3) if Compounding with Lockout is specified as the Compounding Method in the relevant Pricing Supplement then: (a) Compounding with Lockout is the Overnight Rate Compounding Method; (b) Lockout is the number of Lockout Period Business Days specified in the relevant Pricing Supplement; and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Pricing Supplement;

(e) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Pricing Supplement and:

(1) if Averaging with Lookback is specified as the Averaging Method in the relevant Pricing Supplement then: (a) Averaging with Lookback is the Overnight Rate Averaging Method; and (b) Lookback is the number of Applicable Business Days specified in the relevant Pricing Supplement;

(2) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Pricing Supplement then: (a) Averaging with Observation Period Shift is the Overnight Rate Averaging Method; (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant

Pricing Supplement; and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Pricing Supplement; or

(3) if Averaging with Lockout is specified as the Averaging Method in the relevant Pricing Supplement then: (a) Averaging with Lockout is the Overnight Rate Averaging Method; (b) Lockout is the number of Lockout Period Business Days specified in the relevant Pricing Supplement; and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Pricing Supplement; and

(f) if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the relevant Pricing Supplement, the Compounded Index Method with Observation Period Shift shall be applicable and: (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Pricing Supplement; and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Pricing Supplement;

(ii) references in the ISDA Definitions to:

(a) "**Confirmation**" shall be references to the relevant Pricing Supplement;

(b) "**Calculation Period**" shall be references to the relevant Interest Period;

(c) "**Termination Date**" shall be references to the Maturity Date; and

(d) "**Effective Date**" shall be references to the Interest Commencement Date.

(iii) if the relevant Pricing Supplement specifies "2021 ISDA Definitions" as the applicable ISDA Definitions:

(a) "Administrator/Benchmark Event" shall be disapplied; and

(b) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

(iv) Unless otherwise defined, capitalized terms used herein shall have the meaning ascribed to them in the ISDA Definitions.

Benchmark Discontinuation

Benchmark Discontinuation – Independent Advisor

In the case of Notes where "Benchmark Discontinuation – Independent Advisor" is specified in the relevant Pricing Supplement as applicable, in addition to and notwithstanding the provisions above in relation to Floating Rate Notes, if the Issuer determines that a Benchmark Event has occurred or there is a Successor Rate, in either case when any Rate of Interest (or the relevant component part thereof) remains to be determined by a Reference Rate, then the Issuer may elect (acting in good faith and in a commercially reasonable manner) to apply the following provisions:

(i) the Issuer shall use reasonable endeavors to appoint, as soon as reasonably practicable, an Independent Advisor to determine (acting in good faith and in a commercially reasonable manner), no later than 5 Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**"), a Successor Rate (as defined below) or, alternatively, if the Independent Advisor determines that there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;

(ii) if the Issuer is unable to appoint an Independent Advisor, or the Independent Advisor appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA

Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if the Issuer determines that there is no Successor Rate, an Alternative Reference Rate;

(iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in "*Benchmark Discontinuation – Independent Advisor*"); **provided, however, that** if sub-paragraph (ii) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest Period (or alternatively, if there has not been a first Interest Payment Date, the rate of interest shall be the initial Rate of Interest) (subject, where applicable, to substituting the Margin that applied to such preceding Interest Period for the Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in this Benchmark Discontinuation – Independent Advisor;

(iv) if the Independent Advisor (in consultation with the Issuer) or (if the Issuer is unable to appoint an Independent Advisor, or the Independent Advisor appointed by it fails to determine whether an Adjustment Spread should be applied) the Issuer (acting in good faith and in a commercially reasonable manner) determines that an Adjustment Spread should be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Rate or Alternative Reference Rate (as applicable). If the Independent Advisor or the Issuer (as applicable) is unable to determine, prior to the Interest Determination Date relating to the next succeeding Interest Period, the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;

(v) if the Independent Advisor or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, any Adjustment Spread in accordance with the above provisions, the Independent Advisor or the Issuer (as applicable) may also specify changes to this "*Description of the Notes*", including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate, the Alternative Reference Rate (as applicable) and/or the Adjustment Spread. For the avoidance of doubt, the Trustee and relevant Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Indenture, the relevant Pricing Supplement and/or the Notes as may be required in order to give effect to this Benchmark Discontinuation – Independent Advisor. Noteholder consent shall not be required in connection with implementing the Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread or such other changes, including for the execution of any documents, amendments or other steps by the Trustee or relevant Agents (if required); and

(vi) the Issuer shall promptly, following the determination of any Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread, give notice thereof to the Trustee, the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) and the Noteholders, which shall specify the effective date(s) for such Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread and any consequential changes made to the Indenture, the relevant Pricing Supplement and/or the Notes.

For these purposes:

"**Adjustment Spread**" means a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread, in either case, which the Independent Advisor determines is required

to be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for the parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(B) (if no such recommendation has been made, in the case of a Successor Rate, or in the case of an Alternative Reference Rate) the Independent Advisor (in consultation with the Issuer) or the Issuer (as applicable) determines is customarily applied to the relevant Successor Rate or Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(C) (if no such determination has been made) the Independent Advisor (in consultation with the Issuer) or the Issuer (as applicable) determines, is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be); or

(D) (if the Independent Advisor determines that no such industry standard is recognized or acknowledged) the Independent Advisor determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as the case may be);

"**Alternative Reference Rate**" means the rate that the Independent Advisor or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period or, if the Independent Advisor or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Advisor or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Reference Rate;

"**Benchmark Event**" means:

(A) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(B) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or

(C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(E) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor: (i) such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market; or (ii) the methodology to calculate such Reference Rate has materially changed; or

(F) it has or will, by a specified date within the following six months, become unlawful for the relevant Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (including, without limitation, under: (i) Regulation (EU) 2016/1011; or (ii) Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended, if applicable);

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D) or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date;

"**Independent Advisor**" means an independent financial institution of international repute or other independent financial advisor experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"**Relevant Nominating Body**" means, in respect of a reference rate:

(A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the reference rate relates, or any other central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate; or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of: (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the reference rate; (ii) any other central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate; (iii) a group of the aforementioned central banks or other supervisory authorities; (iv) official bodies; or (v) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means the reference rate (and related alternative screen page or source, if available) that the Independent Advisor or the Issuer (as applicable) determines is a successor to or replacement of the relevant Reference Rate (for the avoidance of doubt, whether or not such Reference Rate has ceased to be available) which is formally recommended by any Relevant Nominating Body.

Benchmark Discontinuation - SOFR

In the case of Notes where "Benchmark Discontinuation – SOFR" is specified in the relevant Pricing Supplement as applicable, in addition to and notwithstanding the provisions above in relation to Floating Rate Notes, if the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the relevant Interest Determination Date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.

Any determination, decision, election or calculation that may be made by the Issuer pursuant to the provisions described in "*– Benchmark Discontinuation – SOFR*" including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from any other party.

For these purposes:

"**Benchmark**" means, initially, Compounded SOFR; **provided that** if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement;

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer for the applicable Benchmark Replacement Date:

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and (b) the Benchmark Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate; and (b) the Benchmark Replacement Adjustment; or

(3) the sum of: (a) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark (including any daily published component used in the calculation

thereof) giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time; and (b) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer for the applicable Benchmark Replacement Date:

(1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero), that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by 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 Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time.

For the avoidance of doubt, the Benchmark Replacement Adjustment for the applicable Benchmark Replacement Date may be selected, recommended or determined on a day other than such Benchmark Replacement Date;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definitions of "Interest Period", "Interest Determination Date" and "Observation Period", timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(1) in the case of clause (1) or (2) of the definition of "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 the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or such component) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component) to be no longer representative; **provided that** such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if such Benchmark (or such component) continues to be provided on such date. For the avoidance of doubt, the Benchmark Replacement Date could occur some period of time after the most recent statement or publication referenced in clause (3) of the definition of "Benchmark Transition Event".

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as the Interest Determination Date, but earlier than the Reference Time on that date, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(1) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, **provided that**, at the

time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component) announcing that the Benchmark (or such component) is no longer, or as of a specified future date will no longer be, representative;

"**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 2006 ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means: (1) if the Benchmark is Compounded SOFR, the SOFR Determination Time; and (2) if the Benchmark is not Compounded SOFR, the time determined by the Issuer in accordance with the Benchmark Replacement Conforming Changes;

"**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; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

General

The Noteholders, by their acquisition of the Notes, have consented to and agree to be bound by the operation of this provision including, but not limited to, any determination of the Independent Advisor, the Issuer or its designee or the relevant Calculation Agent, including without limitation any changes relating to a Benchmark Event. All subsequent Noteholders are bound by this consent. Changes and adjustments to the rate or the terms of the Notes in accordance with this provision shall not require any additional Noteholder consent, including without limitation any changes relating to a Benchmark Event.

In connection with the operation of this provision or in connection with any determination of the Independent Advisor, the Issuer or its designee or the relevant Calculation Agent, including without limitation any changes relating to a Benchmark Event, the Noteholders, by their acquisition of the Notes, waive any and all claims, in law and/or in equity, against the Trustee, the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable), and the relevant Calculation Agent, and the Noteholders agree not to initiate a suit against the Trustee, the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable), and the relevant Calculation Agent. For the avoidance of doubt, the Noteholders do not waive their claims against the Independent Advisor for gross negligence or fraud in connection with the operation of this provision.

Maximum or Minimum Rate of Interest

If any "Maximum Rate of Interest" or "Minimum Rate of Interest" is specified as being applicable in the relevant Pricing Supplement, then if any applicable Rate of Interest for an Interest Period would but for this

paragraph be: (a) greater than the Maximum Rate of Interest, it shall be the Maximum Rate of Interest so specified; or (b) less than the Minimum Rate of Interest, it shall be the Minimum Rate of Interest so specified.

Rate Multiplier

If any "Rate Multiplier" is specified in the relevant Pricing Supplement, then the Reference Rate, average of Reference Rates, CMS Rate, ISDA Rate or Spread Rate (as applicable) shall be multiplied by the Rate Multiplier stated to be applicable.

Highest Rate Notes and Lowest Rate Notes

If "Highest Rate Notes" or "Lowest Rate Notes" is specified as being applicable in the relevant Pricing Supplement, then the Rate of Interest applicable for an Interest Period shall be: (a) in the case of Highest Rate Notes, the highest of the Rates of Interest; or (b) in the case of Lowest Rate Notes, the lowest of the Rates of Interest, in each case specified in the relevant Pricing Supplement.

Spread Notes

If "Spread Notes" is specified as being applicable in the relevant Pricing Supplement, the Rate of Interest applicable to such Notes for each Interest Period will be the sum of the Margin and the Spread Rate, where the Spread Rate is determined by the relevant Calculation Agent on the following basis:

$$\textbf{Spread Rate} = (\boldsymbol{A} - \boldsymbol{B})$$

(where "**A**" and "**B**" each have the meaning specified in the relevant Pricing Supplement).

Knock–in and Knock-out Notes

(i) If "Knock-in Notes" is specified as applicable in the relevant Pricing Supplement, then:

(a) the relevant Calculation Agent shall determine (in accordance with the method specified herein) for each Knock-in Valuation Date, or in respect of any Knock-in Determination Period, whether a Knock-in Event has occurred; and

(b) payments of interest with respect to an Interest Payment Date shall be conditional upon the occurrence of a Knock-in Event: (1) on the Knock-in Valuation Date immediately preceding such Interest Payment Date; or (2) during the relevant Knock-in Determination Period for such Interest Payment Date, **provided that** if "Digital Coupon" is specified as being applicable in the relevant Pricing Supplement, the amount of interest payable with respect to such Interest Payment Date shall be the relevant "Digital Coupon Amount" specified in the relevant Pricing Supplement.

Where:

"**Knock-in Event**" means that the Rate of Interest is: (i) either (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Knock-in Level; in each case as specified in the relevant Pricing Supplement; or (ii) within the Knock-in Range (A) on a Knock-in Valuation Date or (B) in respect of any Knock-in Determination Period, as specified in the relevant Pricing Supplement.

"**Knock-in Determination Period**" means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date, in each case as specified in the relevant Pricing Supplement.

"**Knock-in Level**" means with respect to a Knock-in Valuation Date or a Knock-in Determination Period, the level specified in the relevant Pricing Supplement.

"**Knock-in Range**" means with respect to a Knock-in Valuation Date or a Knock-in Determination Period, the range specified in the relevant Pricing Supplement.

"**Knock-in Valuation Date**" means each date specified as such in the relevant Pricing Supplement.

(ii) If "Knock-out Notes" is specified as applicable in the relevant Pricing Supplement, then:

(A) the relevant Calculation Agent shall determine (in accordance with the method specified herein) (x) for each Knock-out Valuation Date or (y) in respect of any Knock-out Determination Period, whether a Knock-out Event has occurred; and

(B) Payments of interest with respect to an Interest Payment Date shall be conditional upon no Knock-out Event having occurred (a) on the Knock-out Valuation Date immediately preceding such Interest Payment Date or (b) during the relevant Knock-out Determination Period for such Interest Payment Date **provided that** if "Digital Coupon" is specified as being applicable in the relevant Pricing Supplement, the amount of interest payable with respect to such Interest Payment Date shall be the relevant "Digital Coupon Amount" specified in the relevant Pricing Supplement.

Where:

"**Knock-out Event**" means that the Rate of Interest is: (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Knock-out Level, in each case as specified in the relevant Pricing Supplement; or (B) within the Knock-out Range on a Knock-out Valuation Date or (y) in respect of any Knock-out Determination Period, as specified in the relevant Pricing Supplement.

"**Knock-out Determination Period**" means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date, in each case as specified in the relevant Pricing Supplement.

"**Knock-out Level**" means with respect to a Knock-out Valuation Date or a Knock-out Determination Period, the level specified in the relevant Pricing Supplement.

"**Knock-out Range**" means with respect to a Knock-out Valuation Date or a Knock-out Determination Period, the range specified in the relevant Pricing Supplement.

"**Knock-out Valuation Date**" means each date specified as such in the relevant Pricing Supplement.

Step-up Notes

If "Step-up Notes" is specified as being applicable in the relevant Pricing Supplement: (a) in the case of Fixed Rate Notes, the Rate of Interest; or (b) in the case of Floating Rate Notes, the Margin, applicable for an Interest Period shall be that which is specified in the relevant Pricing Supplement.

Switch Option

If so specified in the relevant Pricing Supplement, the Issuer may, at its option (the "**Switch Option**") elect to switch the interest payable in respect of the Notes from:

(i) in the case of Fixed Rate Notes, interest calculated by reference to a fixed Rate of Interest to interest calculated by reference to a floating Rate of Interest (as described above); or

(ii) in the case of Floating Rate Notes, interest calculated by reference to a floating Rate of Interest to interest calculated by reference to a fixed Rate of Interest.

The Issuer may exercise the Switch Option only once during the term of the Notes. It may determine not to exercise the Switch Option.

The Issuer may exercise the Switch Option on any Business Day falling within any period specified as a "Switch Exercise Period" (the "**Switch Exercise Period**") in the relevant Pricing Supplement. The last day of each Switch Exercise Period shall be a date falling not less than the number of Business Days specified as the "Switch Notice Period Number" of Business Days in the relevant Pricing Supplement (which shall not be less than five Business Days) preceding the Interest Payment Date for such Switch Exercise Period. The relevant Pricing Supplement will specify which Interest Payment Date (the "**Switch Date**") corresponds to each Switch Exercise Period.

Upon exercise of the Switch Option:

(i) in respect of Fixed Rate Notes, as at the Switch Date the Notes will be deemed to: (A) no longer be Fixed Rate Notes and so stop accruing interest at the fixed Rate of Interest as at (but excluding) the last day of the Interest Calculation Period ending on or around the Switch Date; and (B) become Floating Rate Notes and so start accruing interest at the floating Rate of Interest from (and including) the Interest Calculation Period beginning on or around the Switch Date in accordance with the Indenture; or

(ii) in respect of Floating Rate Notes, as at the Switch Date the Notes will be deemed to: (A) no longer be Floating Rate Notes and so stop accruing interest at the Rate of Interest as at (but excluding) the last day of the Interest Calculation Period ending on or around the Switch Date; and (B) become Fixed Rate Notes and so start accruing at the fixed Rate of Interest from (and including) the Interest Calculation Period beginning on or around the Switch Date in accordance with the Indenture.

Zero Coupon Note Provisions

If the "Zero Coupon Note Provisions" are specified in the relevant Pricing Supplement as being applicable and the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of: (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and (ii) the day which is seven days after either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) or, as the case may be, the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

Dual Currency/Reverse Dual Currency Note Provisions

Dual Currency Notes

The relevant Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable for such Interest Period in respect of each Note to which Dual Currency Note Provisions are applicable (the "**Dual Currency Notes**"). The Interest Amount will be calculated:

(i) in respect of Fixed Rate Notes for which a Fixed Coupon Amount is specified, by applying the Rate of Exchange (or the rate as determined in accordance with the provisions below) to the Fixed Coupon Amount and rounding the resulting Equivalent Currency amount to the nearest sub-unit of the Equivalent Currency (half a sub-unit being rounded upwards), and

(ii) in respect of any other Dual Currency Notes, by applying the Rate of Interest (as determined in accordance with the provisions of the relevant Pricing Supplement) for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards), applying the Rate of Exchange (or the rate as determined in accordance with the provisions below) and multiplying the resulting Equivalent Currency amount (rounded to the nearest sub-unit of the Equivalent Currency (half a sub-unit being rounded upwards)), by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount.

For this purpose, a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

For the purposes hereof:

"**Dual Currency Relevant Screen Page**" means the page, section or other part of a particular information service (including, but not limited to, Reuters and Bloomberg), as may be specified as the Dual Currency Relevant Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Rate of Exchange;

"**Dual Currency Relevant Time**" has the meaning given in the relevant Pricing Supplement; and

"**Rate of Exchange**" means the bid spot exchange rate for the Specified Currency/Equivalent Currency which appears on the Dual Currency Relevant Screen Page at or around the Dual Currency Relevant Time on the relevant Pricing Date specified in the relevant Pricing Supplement, as determined by the relevant Calculation Agent.

Reverse Dual Currency Notes

The relevant Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable for such Interest Period in respect of each Note to which Reverse Dual Currency Note Provisions are applicable (the "**Reverse Dual Currency Notes**"). The Interest Amount will be calculated:

(i) in respect of Fixed Rate Notes for which a Fixed Coupon Amount is specified, by applying the Rate of Exchange (or the rate as determined in accordance with the provisions below) to the Equivalent Currency Fixed Coupon Amount and rounding the resulting Specified Currency amount to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards); and

(ii) in respect of any other Reverse Dual Currency Notes, by applying the Rate of Interest (as determined in accordance with the provisions of the relevant Pricing Supplement) for such Interest Period to the Equivalent Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Equivalent Currency (half a sub-unit being rounded upwards), applying the Rate of Exchange (or the rate as determined in accordance with the provisions below) and multiplying the resulting Specified Currency amount (rounded to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards)) by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount.

For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

If the Rate of Exchange does not appear on the Reverse Dual Currency Relevant Screen Page at the Reverse Dual Currency Relevant Time, the Rate of Exchange for the relevant Interest Payment Date will be determined by the Issuer in its sole discretion acting in a commercially reasonable manner.

For the purposes hereof:

"**Reverse Dual Currency Relevant Screen Page**" means the page, section or other part of a particular information service (including, but not limited to, Reuters and Bloomberg), as may be specified as the Reverse Dual Currency Relevant Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Rate of Exchange;

"**Reverse Dual Currency Relevant Time**" has the meaning given in the relevant Pricing Supplement; and

"**Rate of Exchange**" means the bid spot exchange rate for the Equivalent Currency/Specified Currency which appears on the Reverse Dual Currency Relevant Screen Page at or around the Reverse Dual Currency Relevant Time on the relevant Pricing Date specified in the relevant Pricing Supplement, as determined by the relevant Calculation Agent.

Range Accrual Note Provisions

The relevant Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable for such Interest Period in respect of each Note to which Range Accrual Note Provisions are applicable (the "**Range Accrual Notes**"). Subject in respect of Dual Currency Notes or Reverse Dual Currency Notes to the provisions in respect of Dual Currency/Reverse Dual Currency Notes, the Interest Amount will be calculated by applying the Range Accrual Rate for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

For the purposes hereof:

"**Accrual Factor**" means the actual number of London business days during each Interest Period in which the Reference Rate is equal to or greater than the Lower Barrier and less than or equal to the Upper Barrier, divided by the actual number of London business days in the relevant Interest Period;

"**Lower Barrier**" means *n* per cent. as specified in the relevant Pricing Supplement, **provided that** if Lower Barrier is specified in the relevant Pricing Supplement as being Not Applicable, there shall be no Lower Barrier applicable in respect of the Range Accrual Reference Rate;

"**Range Accrual Rate**" means the Relevant Rate multiplied by the Accrual Factor;

"**Range Accrual Reference Rate**" means the rate specified as such in the relevant Pricing Supplement which appears on the Relevant Screen Page at or around the Relevant Time on the relevant day during the Interest Period, provided, however, that (i) if the Range Accrual Reference Rate cannot be determined on any London business day during the Interest Period, the Range Accrual Reference Rate for such day shall be the Range Accrual Reference Rate as determined on the preceding London business day on which the Range Accrual Reference Rate could be determined, and (ii) if "Fixed Range Accrual Reference Rate" is specified as applicable in the relevant Pricing Supplement, the Range Accrual Reference Rate for each London business day shall be the Range Accrual Reference Rate as determined on such relevant Interest Determination Date;

"**Relevant Rate**" shall mean any of: (i) the rate specified in the Fixed Rate provisions of the relevant Pricing Supplement; (ii) the rate specified in the Floating Rate provisions of the relevant Pricing Supplement; or (iii) such other relevant rate as may be specified in the relevant Pricing Supplement as applicable and as calculated by the relevant Calculation Agent in accordance with the terms and fixed on the dates specified in the relevant Pricing Supplement; and

"**Upper Barrier**" means *n* per cent. as specified in the relevant Pricing Supplement, **provided that** if Lower Barrier is specified in the relevant Pricing Supplement as being Not Applicable, the Upper Barrier shall be unlimited.

In this paragraph, "**London business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in London.

Dividend Equivalent Payments

(i) In respect of any Series of Notes where the principal or interest in respect to such Notes is determined by reference, directly or indirectly, to a U.S. equity security (a "**U.S. Reference Asset**"), if the relevant Pricing Supplement in respect of such Notes states that the Notes are "Section 871(m) Notes", the relevant Pricing Supplement shall further specify whether the "Dividend Withholding" or "Issuer Withholding" approach to withholding in relation to Section 871(m) of the Code shall be applicable to the Notes.

(ii) If "Dividend Withholding" is specified in the relevant Pricing Supplement as being applicable, the relevant Pricing Supplement shall provide for the Issuer to make payments to Noteholders in respect of any dividend equivalent amounts attributable to any U.S. Reference Asset and shall include provisions relating to the amount and timing of such payments.

(iii) If "Issuer Withholding" is specified in the relevant Pricing Supplement as being applicable, the relevant Pricing Supplement shall specify whether any dividend equivalent amounts are to be treated as being reinvested during the term of the Notes and what portion thereof is expected as of the Issue Date to be treated for U.S. federal income tax purposes as having been withheld from a payment due to the Noteholders.

Index-Linked Interest

If the "Index-Linked Note Provisions" are specified in the relevant Pricing Supplement as being applicable, the Rate(s) of Interest applicable to the Notes for each Interest Period will be determined in the manner specified in the relevant Pricing Supplement.

Redemption and Purchase

General

The Pricing Supplement relating to a Series of Notes will indicate either that such Notes cannot be redeemed prior to Maturity, other than for tax reasons (as set forth below), or the terms on which the Notes will be redeemable prior to Maturity at the option of the Issuer or the holder of the Notes. Notice of redemption shall be provided as set forth below under the section entitled "*– Notices*".

Unless previously redeemed, or purchased and cancelled in accordance with "*Redemption and Purchase – Cancellation*", the Notes (other than Credit Linked Notes and the Equity Linked Notes) will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in "*Payments – Bearer Notes*" and "*Payments – Registered Notes*". In the case of Fixed Rate Notes where the Specified Currency is Renminbi, if the Maturity Date falls on a day which is not a Business Day, the Maturity Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Maturity Date shall be brought forward to the immediately preceding Business Day. Credit Linked Notes will be redeemed in accordance with "*Additional Terms for Credit Linked Notes – Redemption*". Equity Linked Notes will be redeemed in accordance with "*Additional Terms for Equity Linked Notes – Redemption*" as amended, supplemented or replaced in the relevant Pricing Supplement or Drawdown Information Memorandum.

The Issuer shall not otherwise be entitled to redeem the Notes except as provided in "*Redemption and Purchase—Redemption at the Option of the Issuer*", " *Redemption and Purchase—Partial Redemption*", and "*Redemption and Purchase—Redemption at the Option of the Noteholders*" below.

Redemption for Tax Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part:

(i) at any time (if none of the "Floating Rate Note Provisions" or the "Index-Linked Note Provisions" are specified in the relevant Pricing Supplement as being applicable); or

(ii) on any Interest Payment Date (if the "Floating Rate Note Provisions" or the "Index-Linked Note Provisions" are specified in the relevant Pricing Supplement as being applicable),

on giving not less than 15 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

(a) the Issuer or the Guarantor has or will become obliged to pay additional amounts as provided or referred to in "*Taxation*" as a result of any change in, or amendment to, the tax laws or regulations of the United States (or any Successor Jurisdiction, as applicable) or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and

(b) such obligation cannot be avoided by the Issuer or the Guarantor taking reasonable measures available to it,

provided, **however**, **that** no such notice of redemption shall be given earlier than:

(1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or

(2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this section, the Issuer shall deliver to either the Trustee in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable): (A) a certificate signed by two authorized officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and (B) an opinion in form and substance satisfactory to either the Trustee in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) of independent legal advisors of recognized standing to the effect that the Issuer or the Guarantor has or will become obliged to pay such additional amounts or has or will become obliged to make such withholding or deduction as a result of such change or amendment. The Trustee or the CMU Lodging and Paying Agent (as applicable) shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in (A) and (B) above, in which event it shall be binding on the Noteholders. Upon the expiry of any such notice as is referred to in this section, the Issuer shall be bound to redeem the Notes in accordance with this section.

Redemption at the Option of the Issuer

If "Call Option" is specified in the relevant Pricing Supplement as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Pricing Supplement, in part on any Optional Redemption Date (Call) on the Issuer giving not less than 15 nor more than 60 days' notice to the Noteholders, the Trustee and either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable), or such other period(s) as may be specified in the relevant Pricing Supplement, which notice shall be irrevocable, but may (at the option of the Issuer and in the case of a redemption at the Make Whole Redemption Price only) be conditional on one or more conditions precedent being satisfied, or waived by the Issuer, and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the applicable amount specified in the relevant Pricing Supplement (together, with any accrued and unpaid interest to (but excluding) the relevant Optional Redemption Date (Call)) at:

(i) the Optional Redemption Amount (Call); or

(ii) if "Make Whole Redemption Price" is specified as applicable in the relevant Pricing Supplement, the Make Whole Redemption Price.

The "**Make Whole Redemption Price**" will, in respect of Notes to be redeemed, be an amount equal to the greater of (i) 100 per cent. of the principal amount of the Notes to be redeemed and (ii) the sum of the then present values (as determined by the Determination Agent) of the remaining scheduled payments of principal and interest on the Notes to be redeemed discounted to the Maturity Date or, if any Par Redemption Date is specified in the relevant Pricing Supplement, the next Par Redemption Date on which the Issuer may redeem the Notes (in which case the last remaining scheduled payments of principal and interest shall be treated as falling due on such Par Redemption Date), at the sum of: (x) the Reference Bond Rate plus (y) the Redemption Margin less an amount equal to any accrued but unpaid interest on the Notes to, but excluding, the Optional Redemption Date (Call), all as determined by the Determination Agent, who shall share such calculation with the Issuer, the Trustee and either the Principal Paying Agent in respect of Notes other than CMU Note or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) prior to the issuance of the notice mentioned above, **provided, however, that,** in the case of

either (i) or (ii) above, if a Par Redemption Date is specified in the relevant Pricing Supplement and the Optional Redemption Date (Call) on which the Notes are to be redeemed is on or after the Par Redemption Date, the Make Whole Redemption Price will be equal to 100 per cent. of the principal amount of the Notes.

Partial Redemption

If the Notes are to be redeemed in part only on any date in accordance with "*Redemption and Purchase – Redemption at the Option of the Issuer*", in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place as either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) approves and in such manner as the Principal Paying Agent or the CMU Lodging and Paying Agent (as applicable) considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in "*Redemption and Purchase – Redemption at the Option of the Issuer*" shall specify the serial numbers of the Notes so to be redeemed and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Pricing Supplement, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

Clean-up Call

If "Clean-up Call Option" is specified in the relevant Pricing Supplement as being applicable, and if, at any time (other than as a direct result of a redemption of some, but not all, of the Notes at the Make Whole Redemption Price at the Issuer's option pursuant to "*—Redemption at the Option of the Issuer*"), the outstanding aggregate principal amount of the Notes is 20 per cent. (or such other amount as is specified in the relevant Pricing Supplement) or less of the aggregate principal amount of the Notes originally issued (and, for these purposes, any further Notes issued and consolidated with the Notes as part of the same Series shall be deemed to have been originally issued) (the "**Clean-up Call Threshold**"), the Issuer may redeem all (but not some only) of the remaining outstanding Notes on any date (or, if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable, on any Interest Payment Date) upon giving not less than 15 nor more than 60 days' notice to the Noteholders, the Trustee and either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) (or such other notice period as may be specified in the relevant Pricing Supplement) (which notice shall specify the date for redemption and shall be irrevocable), at the Optional Redemption Amount (Clean-up Call) together with any accrued and unpaid interest up to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this "*—Clean-up Call*", the Issuer shall deliver to either the Trustee or the CMU Lodging and Paying Agent (as applicable) a certificate signed by two authorized signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the outstanding aggregate principal amount of the Notes is equal to or less than the Clean-up Call Threshold. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Redemption at the Option of the Noteholders

If "Put Option" is specified in the relevant Pricing Supplement as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this paragraph, the holder of a Note must, not less than 15 nor more than 30 days before the relevant Optional Redemption Date (Put), or such other period(s) as may be specified in the relevant Pricing Supplement, deposit with any relevant Paying Agent, in the case of Bearer Notes, or with the relevant Registrar or any relevant Transfer Agent, in the case of Registered Notes, such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any relevant Paying Agent or, as the case may be, the relevant Registrar or relevant Transfer Agent. The relevant Paying Agent or, as the case may be, the relevant Registrar or relevant Transfer Agent with which such Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this paragraph, may be withdrawn; **provided**, **however**, **that** if, prior

to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent or, as the case may be, relevant Registrar or any relevant Transfer Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a relevant Paying Agent or, as the case may be, relevant Registrar or a relevant Transfer Agent in accordance with this paragraph, the depositor of such Note and not such Paying Agent or, as the case may be, such relevant Registrar or such relevant Transfer Agent shall be deemed to be the holder of such Note for all purposes. In the case of the redemption of part only of an Individual Note Certificate pursuant to this paragraph, a new Individual Note Certificate in respect of the balance of the Registered Note not redeemed early will be delivered or sent (at the request and risk of such Holder) to the relevant Holder.

Early Redemption of Zero Coupon Notes

Unless otherwise specified in the relevant Pricing Supplement, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Pricing Supplement for the purposes of this paragraph or, if none is so specified, a Day Count Fraction of 30E/360.

Purchase

The Issuer, the Guarantor or any of their Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons are purchased therewith.

Cancellation

The Issuer, the Guarantor or any of their respective Subsidiaries may at its option retain any Notes so redeemed or purchased by the Issuer, the Guarantor or any of their respective Subsidiaries and any unmatured Coupons attached to or surrendered with them for its own account and/or resell or cancel or otherwise deal with the same at its discretion. The Indenture provides that, if the Issuer, the Guarantor or any of their respective Subsidiaries purchase any of its Notes for cancellation, the Issuer shall provide either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) instructions in the form agreed to by the Principal Paying Agent or the CMU Lodging and Paying Agent (as applicable) confirming the details of the Notes to be purchased. The Indenture also provides that the Issuer shall provide the instructions to the Principal Paying Agent or the CMU Lodging and Paying Agent (as applicable) no later than two (2) Business Days prior to the date on which the Notes are intended to be purchased and cancelled. Once the Notes have been received by the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable), the Principal Paying Agent or the CMU Lodging and Paying Agent (as applicable) will request the immediate cancellation of such Notes.

Hedging Disruption

If "Redemption for Hedging Disruption" is specified as applicable in the relevant Pricing Supplement and the relevant Calculation Agent determines that a Hedging Disruption Event has occurred, the Issuer may redeem the Notes by giving notice to the Noteholders in accordance with "*Notices*". If the Notes are so redeemed the Issuer will pay an amount to each Noteholder in respect of each Note held by them, which amount shall be the fair market value of a Note taking into account the Hedging Disruption Event less the cost to the Issuer and/or its affiliates of unwinding any related underlying hedging arrangements all as determined by the Issuer in its sole and absolute discretion **provided that** in no case shall this value be less

than the principal amount outstanding with respect to such Note. Payments will be made in such manner as shall be notified to the Noteholders in accordance with "*Notices*".

Where:

"**Change in Law**" means that, on or after the Issue Date (as specified in the relevant Pricing Supplement) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law, solvency or capital requirements), or (B) 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 or financial authority), or the combined effect thereof if occurring more than once, the Issuer determines in its sole and absolute discretion that:

(a) it is unable to perform its obligations in respect of the Notes or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Notes; or

(b) it or any of its affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the Notes in issue or in holding, acquiring or disposing of any relevant hedge positions of the Notes.

"**Hedging Disruption**" means that the Issuer and/or any of its affiliates 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) or any futures or options contract(s) it deems necessary to hedge its exposure with respect to the Notes; or (ii) freely realize, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or any futures or options contract(s) or any relevant hedge positions relating to the Notes.

"**Hedging Disruption Event**" means each of Change in Law, Hedging Disruption and Increased Cost of Hedging.

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates 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: (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Notes; or (B) realize, 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 shall not be deemed an Increased Cost of Hedging.

Restriction on Early Redemption or Repurchase of the Notes

If so specified in the relevant Pricing Supplement, the Issuer may redeem or repurchase the Notes only if it has obtained regulatory consent, if such consent is then required for the redemption or repurchase of the relevant Notes.

Events of Default

An "**Event of Default**", with respect to Notes of a particular Series, means any of the following events (whatever the reason for such Event of Default and whether it be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(i) *Non-payment of interest*:

default in the payment of any interest upon any Note or Coupon, if any, when it becomes due and payable, and continuance of such default for a period of 30 days; or

(ii) *Non-payment of principal*:

default in the payment of the principal of (or premium if any, on) any Note on the due date for payment thereof, and continuance of such default of a period of 30 days; or

(iii) *Breach of other obligations*:

the Issuer does not comply in all material respects with any of its other obligations under or in respect of the Notes or the Indenture and such failure to comply continues unremedied for 90 days after written notice thereof has been delivered by the Trustee to the Issuer; or

(iv) *Involuntary Insolvency etc.:*

the entry by a court having jurisdiction of (A) a decree or order for relief in respect of the Issuer in an involuntary case or proceeding under any applicable United States federal or state bankruptcy, insolvency or similar law or (B) a decree or order adjudging the Issuer bankrupt or insolvent, or approving a petition seeking receivership, insolvency or liquidation of or in respect of the Issuer under any applicable United States federal or state law, or appointing a receiver, liquidator, trustee or similar official of the Issuer, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

(v) *Voluntary Insolvency etc.:*

the commencement by the Issuer of a voluntary case or proceeding under any applicable United States federal or state bankruptcy, insolvency or similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, the appointment of a receiver for the Issuer under any applicable United States federal or state bankruptcy, insolvency or similar law following consent by the Board of Directors of the Issuer to such appointment, or the entry of a decree or order for relief in respect of the Issuer in an involuntary case or proceeding under any applicable United States federal or state bankruptcy, insolvency, receivership, liquidation or similar law following the Issuer's consent to such decree or order; or

(vi) *Guarantee:*

the Guarantee ceases to be in full force and effect, other than in accordance with the terms of the Indenture, or the Guarantor denies or disaffirms its obligations under the Guarantee, **provided that** no Event of Default shall occur as a result of, or because it is related directly or indirectly to, the insolvency of the Guarantor or the commencement of any proceedings relative to the Guarantor under Title 11 of the United States Code, or the appointment of a receiver for the Guarantor under Title II of the Dodd-Frank Act or the Federal Deposit Insurance Corporation having separately repudiated the Guarantee in any receivership of the Guarantor, or the commencement of any proceeding under any other applicable federal or state bankruptcy, insolvency, resolution or other similar law, or a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official having been appointed for or having taken possession of the Guarantor or its property, or the institution of any other comparable judicial or regulatory proceedings relative to the Guarantor, or to the creditors or property of the Guarantor; or

(vii) *Other:*

any other Event of Default, if any, with respect to the Notes of any Series that is specified in the Indenture relating to such Notes.

If an Event of Default specified in paragraphs (i), (ii), (iv), (v) or (vi) of the definition of "Event of Default" as set forth above with respect to Notes of any Series at the time outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25 per cent. in principal amount of the outstanding Notes of such Series may by notice in writing to the Issuer and the Guarantor (and to the Trustee if given by the Holder), declare the Notes to be immediately due and payable at their Early Termination Amount together with accrued interest (if any); **provided that** such Event of Default shall not have occurred as a result of the Issuer (or the Guarantor) withholding or refusing to make a payment (i) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment, the Issuer, the Guarantor, a relevant Paying Agent, the relevant Registrar or Holder; or (ii) (subject as set out in the Indenture) in the case of doubt as to the validity or applicability of any such law, regulation or order in accordance with advice as to such validity or applicability given at any time during the said period of 14 days by independent legal advisors acceptable to the Trustee. Any amounts withheld with respect to (i) or (ii) above shall be placed in an interest bearing deposit and if subsequently it shall be or become lawful to make payment of such withheld amount, payment of the

withheld amount will be made no later than seven days after the earliest date upon which the interest bearing deposit falls or may (without penalty) be called for repayment. The withheld amount or the relevant part thereof, together with the accrued interest thereon from, and including, the date the same was placed on deposit to, but excluding, the date upon which such interest bearing deposit was repaid, shall be repaid to the Holders. If the Issuer (or the Guarantor) withholds payment in reliance on provisos (i) or (ii) above where the relevant law, regulation or order proves subsequently not to be valid or applicable, such withholding shall be treated, for the purposes of ascertaining entitlement to accrued interest but not for any other purpose as if it had been at all times an improper withholding or refusal. Any Event of Default specified in paragraph (iii) of the definition of "Event of Default" as set forth above will not be subject to acceleration of maturity by the Trustee or the holders of the outstanding Notes, without prejudice to any other rights and remedies that may be exercised upon the occurrence of an Event of Default.

At any time after such an acceleration or declaration of acceleration with respect to Notes of any Series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter provided, the Holders of a majority in principal amount of the outstanding Notes of that Series, by written notice to the Issuer, the Guarantor and the Trustee, may rescind and annul such acceleration or declaration of acceleration and its consequences if:

(i) the Issuer or the Guarantor has paid or deposited with the Trustee a sum sufficient to pay:

  (a) all overdue interest, if any, on all Notes of that Series;

  (b) the principal of and premium, if any, on any Notes of that Series that have become due other than by such acceleration or declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Notes;

  (c) to the extent that payment of such interest is lawful, interest upon any overdue interest at the rate or rates prescribed therefor in such Notes; and

  (d) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all other Agents; and

(ii) all Events of Default with respect to Notes of that Series, other than the non-payment of the principal of and accrued interest on Notes of that Series that have become due solely by such acceleration, have been cured or waived as provided in the Indenture.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Upon such an acceleration or receipt by the Trustee of any written notice declaring such an acceleration or rescission and annulment thereof, as the case may be, with respect to Notes of a Series all or part of which is represented by a Global Note, a record date shall be established for determining Holders of outstanding Notes of such Series entitled to join in such notice, which record date shall be at the close of business on the day of such acceleration or the day that the Trustee receives such notice, as the case may be. The Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to join in such notice, whether or not such Holders remain Holders after such date, **provided that** unless such declaration of acceleration, or rescission and annulment, as the case may be, shall have become effective by virtue of the requisite percentage having joined in such notice prior to the day which is 90 days after such record date, such declaration of acceleration, or rescission and annulment, as the case may be, shall automatically and without further action by any Holder be cancelled and of no further effect. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such 90 day period, a new written notice of declaration of acceleration, or rescission or annulment, as the case may be, which has been cancelled pursuant to the proviso to the preceding sentence, in which event a new record date shall be established.

Events of bankruptcy, insolvency, receivership or liquidation relating to the Guarantor will not constitute an Event of Default with respect to any Series of Notes. In addition, failure by the Guarantor to perform any of its covenants or warranties (other than a payment default) will not constitute an Event of Default with respect to any Series of Notes. Therefore, events of bankruptcy, insolvency, receivership or liquidation relating to the Guarantor (in the absence of any such event occurring with respect to the Issuer) will not permit any of the Notes to be declared due and payable and the Trustee is not authorized to exercise any remedy against the Issuer or the Guarantor upon the occurrence or continuation of these events with respect

to the Guarantor. Instead, even if an event of bankruptcy, insolvency, receivership or liquidation relating to the Guarantor has occurred, the Trustee and the Noteholders of a Series will not be able to declare the relevant Notes to be immediately due and payable unless there is an Event of Default with respect to that Series as described above, such the Issuer's bankruptcy, insolvency, receivership or liquidation or a payment default by the Issuer or the Guarantor on the relevant Notes. **The value a Noteholder receives on any Series of Notes may be significantly less than it would have otherwise received had the Notes been declared due and payable immediately or the Trustee been authorized to exercise any remedy against the Issuer or the Guarantor upon the occurrence or continuation of these events with respect to the Guarantor.**

Judgments

Under current New York law, a state court in the State of New York rendering a judgment in respect of a note denominated in other than U.S. dollars would be required to render such judgment in the Specified Currency, and such judgment would be converted by the relevant court into the U.S. dollar at the prevailing rate on the date of entry of such judgment. Accordingly, the holder of such note denominated in other than U.S. dollars would be subject to exchange rate fluctuations between the date of entry of a judgment in a currency other than U.S. dollars and the time the amount of such judgment is paid to such holder in U.S. dollars and converted by such holder into the Specified Currency. It is not certain, however, whether a non-New York state court would follow the same rules and procedures with respect to conversions of judgments in currency other than U.S. dollars.

The Issuer will indemnify the holder of any note against any loss incurred by such holder as a result of any judgment or order being given or made for any amount due under such note and such judgment or order requiring payment in a currency (the "**Judgment Currency**") other than the Specified Currency, and as a result of any variation between: (a) the rate of exchange at which the Specified Currency amount is converted into the Judgment Currency for the purpose of such judgment or order; and (b) the rate of exchange at which the holder of such note, on the date of payment of such judgment or order is able to purchase the Specified Currency with the amount of the Judgment Currency actually received by such holder, as the case may be.

Consolidation, Merger and Sale or Lease of Assets - Issuer

Without prejudice to "- *Substitution*", the Issuer may not, without the consent of the Noteholders or the Couponholders, consolidate with or merge into any other corporation or convey, transfer or lease its properties and assets substantially as an entirety to any Person (hereinafter called the "**Successor Corporation**") other than any such conveyance, transfer or lease to the Guarantor or one or more of the Guarantor's Subsidiaries, unless:

(i) the corporation formed by such consolidation or into which the Issuer is merged or the Person that acquires by conveyance or transfer, or that leases, the properties and assets of the Issuer substantially as an entirety shall be a corporation organized and existing under the laws of the United States, any political subdivision thereof or any state thereof and shall expressly assume, by a supplemental indenture ("**Supplemental Indenture**"), executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest (including all additional amounts, if any) on all Notes and relevant Coupons and the performance of every covenant of the Indenture on the part of the Issuer to be performed or observed;

(ii) immediately after giving effect to such transaction, no Event of Default, and no event that, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing; and

(iii) the Issuer has delivered to the Trustee an Officer's Certificate stating that such consolidation, merger, conveyance, transfer or lease and such Supplemental Indenture comply with the Indenture and Opinions of Counsel to the effect that such Supplemental Indenture has been duly authorized, executed and delivered and is a legal, valid and binding agreement enforceable against the Successor Corporation **provided that** in giving Opinions of Counsel, counsel may rely on an Officer's Certificate as to any matters of fact, including as to satisfaction of (i) and (ii) above.

Upon any consolidation with or merger into any other corporation, or any conveyance, transfer or lease of the properties and assets of the Issuer substantially as an entirety to any Person pursuant to the requirements of paragraphs (i), (ii) and (iii) above, the Successor Corporation shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture with the same effect as if such Successor Corporation had been named as the Issuer herein, and thereafter, except in the case of a lease, the Issuer (which term for this purpose shall mean the person named as the "Issuer" therein or any previous Successor Corporation) shall be relieved of all obligations and covenants under the Indenture and the Notes and relevant Coupons.

The Successor Corporation to a consolidation or merger may be the Guarantor or a Subsidiary of the Guarantor. In addition, the Successor Corporation in a conveyance, transfer or lease may be the Guarantor. **The Indenture also permits the Issuer to convey, transfer or lease all or substantially all of its assets to one or more of the Guarantor's Subsidiaries without any restriction and, in that event, those Subsidiaries would not be required under the Indenture to assume the Issuer's liabilities and obligations under the Indenture and the Notes**.

Consolidation, Merger and Sale or Lease of Assets - Guarantor

Without prejudice to "– *Substitution*", the Guarantor may not without the consent of the Noteholders, consolidate with or merge into any other corporation or convey, transfer or lease its properties and assets substantially as an entirety to any Successor Corporation other than any such conveyance, transfer or lease to one or more of the Guarantor's Subsidiaries, unless:

(i) the Successor Corporation formed by such consolidation or into which the Guarantor is merged or the Person that acquires by conveyance or transfer, or that leases, the properties and assets of the Guarantor substantially as an entirety shall be a corporation organized and existing under the laws of the United States, any political subdivision thereof or any State thereof and shall expressly assume, by Supplemental Indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, the guarantee of the due and punctual payment of the principal of (and premium, if any) and interest (including all additional amounts, if any) on all Notes and relevant Coupons to the extent provided in the Indenture and the performance of every covenant of the Indenture on the part of the Guarantor to be performed or observed;

(ii) immediately after giving effect to such transaction, no Event of Default, and no event that, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing; and

(iii) the Guarantor has delivered to the Trustee an Officer's Certificate stating that such consolidation, merger, conveyance, transfer or lease and such Supplemental Indenture comply with the Indenture and Opinions of Counsel to the effect that such Supplemental Indenture has been duly authorized, executed and delivered and is a legal, valid and binding agreement enforceable against the Successor Corporation **provided that** in giving Opinions of Counsel, counsel may rely on an Officer's Certificate as to any matters of fact, including as to satisfaction of (i) and (ii) above.

Upon any consolidation with or merger into any other corporation, or any conveyance, transfer or lease of the properties and assets of the Guarantor substantially as an entirety in accordance with this section to any Person pursuant to the requirements of paragraphs (i), (ii) and (iii) above, the Successor Corporation shall succeed to, and be substituted for, and may exercise every right and power of, the Guarantor under the Indenture with the same effect as if such Successor Corporation had been named as the Guarantor therein, and thereafter, except in the case of a lease, the Guarantor (which term for this purpose shall mean the Person named as the "Guarantor" herein or any previous Successor Corporation) shall be relieved of all obligations and covenants under the Indenture and the Guarantee. The Successor Corporation to a consolidation or merger may be a Subsidiary of the Guarantor.

In addition, the Indenture permits the Guarantor to convey, transfer or lease all or substantially all of its assets to one or more of its Subsidiaries without any restriction and, in that event, those Subsidiaries would not be required under the Indenture to assume the Guarantor's liabilities and obligations under the Indenture and the Notes.

Substitution

The Issuer may, without the consent of the Trustee, the Noteholders or the Couponholders, substitute for itself any other body corporate incorporated in any country in the world and which is a subsidiary, subsidiary undertaking or the holding company of the Guarantor or another subsidiary of any such holding company in place of the Issuer as the principal debtor in respect of the Notes (hereinafter called the "**Substituted Obligor**") upon notice by the Issuer and the Substituted Obligor to be given in accordance with the section entitled "- *Notices*" if:

(i) an indenture is executed or some other written form of undertaking is given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by the terms of the Indenture, the Notes, and the Coupons as fully as if the Substituted Obligor had been named in such Indenture and on the Notes and the Coupons as the principal debtor in place of the Issuer (or of any previous substitute under this paragraph);

(ii) the Issuer and the Substituted Obligor execute such other deeds, documents and instruments (if any) as may be required in order that the substitution is fully effective;

(iii) an unconditional and irrevocable guarantee in form and substance satisfactory to the Trustee shall have been given by the Issuer of the obligations of the Substituted Obligor under the Indenture and the Notes;

(iv) (a) the Substituted Obligor has obtained all governmental and regulatory approvals and consents necessary for its assumption of liability as principal debtor in respect of the Notes and the Coupons in place of the Issuer (or such previous substitute as aforesaid); (b) the Issuer has obtained all governmental and regulatory approvals and consents necessary for the guarantee to be fully effective as referred to in sub-clause (iii); and (c) such approvals and consents are at the time of substitution in full force and effect;

(v) without prejudice to the generality of the preceding sub-clauses of this paragraph where the Substituted Obligor is incorporated, domiciled or resident in or is otherwise subject generally to the taxing jurisdiction of any territory or any political sub-division thereof or any authority of or in such territory having power to tax (the "**Substituted Territory**") other than or in addition to the territory, the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the "**Issuer's Territory**"), the Substituted Obligor will give to the Trustee an undertaking in form and manner satisfactory to the Trustee in terms corresponding to the terms of "*Taxation*" above with the substitution for the reference therein to the Issuer's Territory of references to the Substituted Territory and in such event the Indenture, the Notes and the Coupons will be interpreted accordingly; and

(vi) Moody's Investors Service, Inc. and Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc., have confirmed in writing to the Trustee that the substitution of the Substituted Obligor will not result in: (a) in respect of any Series of Notes that is not specifically rated by any rating agency, a downgrading of the then current credit rating of any rating agency applicable to the class of debt represented by the Notes; or (b) in respect of any Series of Notes which is specifically rated by any rating agency, a downgrading of the then current credit rating applicable to such Series of Notes by such rating agency.

In connection with any proposed substitution of the Issuer or any previous substitute, the Trustee shall, at the direction of the Substituted Obligor and without the consent of the Noteholders or the Couponholders agree to a change of the law from time to time governing the Notes and the Coupons and the Indenture; **provided that** such changes of law, in the opinion of the Issuer, would not be materially prejudicial to the interests of the Noteholders.

In connection with any proposed substitution, the Issuer shall not have regard to, or be in any way liable for, the consequences of such substitution for individual Noteholders or the Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. No Noteholder or Couponholder shall, in connection with any such substitution, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such individual Noteholders or Couponholders. The Trustee shall be entitled to receive and rely absolutely upon Opinions of Counsel and an Officer's Certificate of the

Issuer stating that the conditions precedent to any such substitution have been met and Opinions of Counsel confirming that any supplemental indenture effecting the substitution of the Substituted Obligor constitutes the legal, valid and binding obligations of the Substituted Obligor subject to the customary exceptions.

Any substitution pursuant to the first paragraph of this section shall, if so expressed, operate to release the Issuer (or such previous substitute as aforesaid) from any or all of its obligations as principal debtor under the Notes and the Indenture (but without prejudice to its liabilities under any guarantee given pursuant to clause (iii) of such paragraph). Not later than 14 days after the execution of any such documents as aforesaid and after compliance with the said requirements of the Indenture, the Substituted Obligor shall cause notice thereof to be given to the Noteholders.

Upon the execution of such documents and compliance with the said requirements, the Substituted Obligor shall be deemed to be named in the Indenture, the Notes and the Coupons as the principal debtor in place of the Issuer (or of any previous substitute hereunder) and the Indenture, the Notes and the Coupons shall thereupon be deemed to be amended in such manner as shall be necessary to give effect to the substitution and without prejudice to the generality of the foregoing any references to the Issuer in the Indenture, the Notes and the Coupons shall be deemed to be references to the Substituted Obligor.

Prescription

Claims for principal shall become void unless the claims in respect of the relevant Notes are made within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the claims in respect of the relevant Coupons are made within five years of the appropriate Relevant Date. Claims for principal and interest in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the Relevant Date.

Modification and Amendment

The Indenture contains provisions permitting the Issuer, the Guarantor and the Trustee: (i) without the consent of the holders of any Notes issued under the Indenture, to execute supplemental indentures for certain enumerated purposes, such as to cure any ambiguity or inconsistency or correct any manifest error or to authorize the issuance of additional Notes of a Series previously authorized or to add to, or amend as required, the conditions, limitations or restrictions on the authorized amount, terms or purpose of the issue, authentication or delivery of the Notes of any Series or other conditions, limitations or restrictions thereafter to be observed or to make any change that does not have a materially adverse effect on the rights of any holder of such Notes; and (ii) with the consent of the holders as evidenced by an Extraordinary Resolution passed at a meeting held in accordance with the Indenture, to execute supplemental indentures for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of modifying in any manner the rights of holders of any such Note under the Indenture; **provided**, **however**, **that** supplemental indentures affecting Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one quarter of the aggregate principal amount of the outstanding Notes form a quorum.

Subject to any modification being effected in accordance with the provisions set forth herein and in the Indenture, such modification will be binding on all holders of Notes of the same Series (whether or not a holder has consented to such modification). The Trustee shall be entitled to receive and rely absolutely upon Opinions of Counsel and an Officer's Certificate of the Issuer stating that the conditions precedent to any such modification have been met.

Waivers

The holders of not less than a majority in aggregate principal amount of the outstanding Notes of a Series of Notes affected thereby, may on behalf of the holders of all Notes of such Series waive compliance by the Issuer with certain restrictive provisions of the Indenture as pertain to the corporate existence of the Issuer and/or the maintenance of certain agencies by the Issuer.

The holders of a majority in aggregate principal amount of the outstanding Notes of a Series of Notes may waive on behalf of the holders of all Notes of such Series, any past default and its consequences under the Indenture, except a default in the payment of the principal of (or premium, if any, on) or interest, if any, on any such Note of that Series; a default in respect of a covenant or a provision which under the Indenture cannot be modified or amended without the consent of the holder of each outstanding Note of such Series.

Meetings of Noteholders

The Indenture contains provisions for convening meetings of each Series of Noteholders to consider matters relating to the Notes, including the modification of certain provision of the Indenture. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided**, **however**, **that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of at least 90 per cent. of the Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Indenture will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

Enforcement

The Trustee may, at any time, without further notice, institute such proceedings against the Issuer to enforce any obligation, condition or provision binding on the Issuer under the Indenture in respect of the Notes, but shall not be bound to do so unless:

(i) it has been so directed by an Extraordinary Resolution or it has been so requested in writing by the holders of at least one quarter of the principal amount of the Notes outstanding; and

(ii) it has been indemnified and/or secured and/or pre-funded by the Noteholders to its satisfaction.

No Noteholder or Couponholder shall be entitled to institute proceedings directly against the Issuer unless the Trustee, having become bound to proceed as aforesaid, fails to do so within a reasonable time and such failure is continuing.

Notices

Notices to Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the relevant Note Register or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

Notwithstanding the two preceding paragraphs, the Trustee may approve some other method of giving notice to the Noteholders if, in its opinion, that other method is reasonable having regard to market practice then prevailing and to the requirements of any stock exchange on which Notes are then listed and **provided that** notice of that other method is given to the Noteholders in the manner required by the Trustee.

So long as any Notes are evidenced by a Global Certificate and the Global Certificate is held by or on behalf of a relevant clearing system, notices to Noteholders may be given by delivery of the relevant notice to that relevant clearing system for communication by it to entitled Noteholders. Any such notice shall be deemed to have been given on the date that the notice is determined to the relevant clearing system for communication to the Noteholders.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

Governing Law

The Indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York.

Each of the Issuer, the Guarantor and the Trustee has irrevocably waived, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Indenture, the Notes or the transactions contemplated thereby.

Consent to Service

The Indenture provides that the Issuer has designated and appointed Corporation Service Company as its authorized agent upon which process may be served in any suit or proceeding arising out of or relating to the notes or the Indenture that may be instituted in any state or federal court located in the Borough of Manhattan, City of New York, State of New York, and have submitted (for the purposes of any such suit or proceeding) to the jurisdiction of any such New York court in which any such suit or proceeding is so instituted.

Concerning the Trustee

The Indenture provides that, except during the continuance of an Event of Default for a series of notes, the Trustee will have no obligations other than the performance of such duties as are specifically set forth in the Indenture. Subject to the provisions of the Indenture relating to the indemnification of the Trustee, if an Event of Default has occurred and is continuing, the Trustee shall use the same degree of care and skill in its exercise of the rights and powers vested in it by the Indenture as a prudent person would exercise under the circumstances in the conduct of such person's own affairs.

The Issuer may maintain accounts with and conduct banking and other business transactions with the Trustee in the ordinary course of its business.

Concerning the Principal Paying Agent, the CMU Lodging and Paying Agent, the ICSD Registrar, the CMU Registrar, the ICSD Transfer Agent(s), the CMU Transfer Agent(s) and the Calculation Agent(s)

In acting under the Indenture and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer or, following the occurrence of an Event of Default, the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The Principal Paying Agent, the CMU Lodging and Paying Agent, the initial ICSD Transfer Agent, the initial CMU Transfer Agent, the ICSD Registrar, the CMU Registrar and the initial CMU U.S. Withholding Tax Administration Agent and their respective initial Specified Offices are set out in the Indenture. The relevant Calculation Agent (if any) shall be specified in the relevant Pricing Supplement. The Issuer reserves the right at any time, with the prior written consent of the Trustee, to vary or terminate the appointment of the Principal Paying Agent, the CMU Lodging and Paying Agent, the ICSD Registrar, the CMU Registrar, the ICSD Transfer Agent(s), the CMU Transfer Agent(s), any Calculation Agent and any other Paying Agent and to appoint successor or additional agents in such role(s); **provided**, **however**, **that**:

(i) the Issuer shall at all times maintain a Principal Paying Agent, an ICSD Registrar and an ICSD Transfer Agent;

(ii) for so long as any CMU Notes remain outstanding, the Issuer shall at all times maintain a CMU Lodging and Paying Agent, a CMU Registrar and a CMU Transfer Agent;

(iii) if a Calculation Agent is specified in the relevant Pricing Supplement, the Issuer shall at all times maintain a relevant Calculation Agent; and

(iv) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying

Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any appointment of, or change in, any of the Principal Paying Agent, the CMU Lodging and Paying Agent, the ICSD Registrar, the CMU Registrar, a ICSD Transfer Agent, a CMU Transfer Agent, any relevant Calculation Agent (including a CMU Calculation Agent, as applicable) or any other relevant Paying Agents or in their respective Specified Offices shall promptly be given to the Noteholders.

For the avoidance of doubt, the Issuer, the Guarantor and the Noteholders, by the acquisition of their Notes, hereby agree that any and all references herein or in the Indenture to the relevant Calculation Agent forming an opinion and/or exercising discretion and/or determining alternative and/or substitute benchmarks, reference rates, successor reference rates and/or screen pages, interest adjustment factors/fractions or spreads, market disruptions or selections of Reference Banks, shall, to the extent Citibank N.A., London Branch or The Bank of New York Mellon, Hong Kong Branch has been appointed as a relevant Calculation Agent, be construed as a reference to the Issuer exercising such opinions and/or discretions and/or making such determinations and/or selections for the relevant Series of Notes.

For the avoidance of doubt:

(i) the appointment of:

(a) the Principal Paying Agent;

(b) the ICSD Registrar;

(c) any ICSD Transfer Agent;

(d) any ICSD Calculation Agent; and

(e) any additional Paying Agent appointed in respect of Notes other than CMU Notes;

is, in each case, an appointment in respect of Notes other than CMU Notes only and references herein shall be construed accordingly; and

(ii) the appointment of:

(a) the CMU Lodging and Paying Agent;

(b) the CMU Registrar;

(c) any CMU Transfer Agent;

(d) any CMU Calculation Agent; and

(e) any additional Paying Agent appointed in respect of CMU Notes,

is, in each case, an appointment in respect of CMU Notes only and references herein shall be construed accordingly.

As further specified in the Indenture (i) the Principal Paying Agent and the ICSD Registrar act in respect of Notes other than CMU Notes only; and (ii) the CMU Lodging and Paying Agent and the CMU Registrar act in respect of CMU Notes only. The CMU Lodging and Paying Agent and the CMU Registrar are appointed under the Indenture by the Issuer and the Guarantor in connection with the issuance and settlement of any CMU Notes including their authentication and delivery in accordance with the rules of the CMU. For the avoidance of doubt, neither Citibank, N.A., London Branch, as Principal Paying Agent, an ICSD Transfer Agent or (if applicable) ICSD Calculation Agent, nor Citibank Europe plc as ICSD Registrar, shall be responsible for any activities in connection with the issuance and settlement of any CMU Notes, including compliance with the requirements of the rules of the CMU, registration of the CMU Notes, any custodian activities in connection with the issuance of the CMU Notes and the authentication of the CMU Notes.

Additional Terms for Credit Linked Notes

General

Credit Terms

The Pricing Supplement for a particular issue of Credit Linked Notes shall specify:

(a) the type of Credit Linked Notes, being Single Reference Entity CLNs, Nth-to-Default Credit Linked Notes, Basket CLNs, CDS Spread CLNs or such other type as may be specified in the relevant Pricing Supplement;

(b) the Settlement Method (if not Auction Settlement) and, where Auction Settlement applies, the applicable Fallback Settlement Method;

(c) the Reference Entity or Reference Entities in respect of which a Credit Event may occur;

(d) the Reference Obligation(s) (if any) in respect of each Reference Entity;

(e) the Trade Date and the Scheduled Maturity Date;

(f) the Transaction Type applicable to each Reference Entity; and

(g) the Reference Entity Notional Amount in respect of each Reference Entity.

Physical Settlement Matrix

Where a Transaction Type is specified in the relevant Pricing Supplement in respect of any Reference Entity, then the provisions of these Credit Linked 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 Pricing Supplement and as though any elections or terms applying to such Transaction Type were specified as being applicable in such Pricing Supplement.

Additional Provisions

If, in accordance with the specified Transaction Type or otherwise, any Additional Provisions are applicable, these Credit Linked Terms shall take effect subject to the provisions thereof.

Basket CLNs

If the Credit Linked Notes are Basket CLNs, then the provisions of these Credit Linked Terms relating to (a) redemption of Credit Linked Notes following satisfaction of Conditions to Settlement, (b) extension of maturity of Credit Linked Notes on delivery of an Extension Notice, (c) cessation or suspension of accrual of interest and (d) accrual and payment of interest following the Scheduled Maturity Date shall, with respect to each Credit Linked Note, apply separately with respect to each Reference Entity and the portion of the Specified Denomination of such Credit Linked Note corresponding to its *pro rata* share of the Reference Entity Notional Amount. The remaining provisions of these Credit Linked Terms shall be construed accordingly.

Redemption

Payment at maturity absent Satisfaction of Conditions to Settlement

The Issuer will make a payment in respect of each Credit Linked Note on the related CLN Maturity Date (as such date may be extended in accordance with the definition thereof) of an amount equal to the outstanding principal amount of such Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) (together with interest, if any, payable thereon) unless:

(a) the Credit Linked Notes have been previously redeemed or purchased and cancelled in full (including as described in "*—Redemption following Satisfaction of Conditions to Settlement*", "*—Redemption following a Merger Event*" or "*—Additional Credit-Linked Note Disruption Events*"); or

(b) the Conditions to Settlement have been satisfied (or if the Credit Linked Notes are CDS Spread Credit Linked Notes, the Conditions to Settlement have been satisfied with respect to any Reference Entity), in which event the Issuer shall redeem the Credit Linked Notes as described in "*—Redemption following Satisfaction of Conditions to Settlement*" (or if applicable, "*—Redemption following Satisfaction of Conditions to Settlement (CDS Spread Credit Linked Notes Only)*").

Redemption following Satisfaction of Conditions to Settlement (CDS Spread Credit Linked Notes only)

(a) if the Conditions to Settlement have been satisfied with respect to both of the Short Reference Entity and the Long Reference Entity prior to the First-to-Occur Settlement Date, then each Note will be subject to redemption by payment (on the later of the Auction Settlement Date (or if a Fallback Settlement Event occurs, the Cash Settlement Date) in respect of the Short Reference Entity and the Auction Settlement Date (or if a Fallback Settlement Event occurs, the Cash Settlement Date) in respect of the Long Reference Entity) of its pro rata share of an amount equal to:

Max (0, [A - B + C - D])

where:

"**A**" means the Aggregate Principal Amount;

"**B**" means the Auction Settlement Amount (or if a Fallback Settlement Event occurs, the Cash Settlement Amount) in relation to the Long Reference Entity;

"**C**" means the Auction Settlement Amount (or if a Fallback Settlement Event occurs, the Cash Settlement Amount) in relation to the Short Reference Entity; and

"**D**" means the Unwind Costs.

(b) if the Conditions to Settlement have been satisfied with respect to the Short Reference Entity, but the Conditions to Settlement have not been satisfied with respect to the Long Reference Entity prior to the Auction Settlement Date (or if a Fallback Settlement Event occurs, the Cash Settlement Date) in respect of the Short Reference Entity, then each Note will be subject to redemption by payment on the Auction Settlement Date (or if a Fallback Settlement Event occurs, the Cash Settlement Date) in respect of the Short Reference Entity of its pro rata share of an amount equal to:

Max (0, [A + B + C - D])

Where:

"**A**" means the Aggregate Principal Amount;

"**B**" means the Auction Settlement Amount (or if a Fallback Settlement Event occurs, the Cash Settlement Amount) in relation to the Short Reference Entity;

"**C**" means any gains (expressed as a positive number) or losses (expressed as a negative number) that would be realized or incurred, as applicable, by the Issuer in connection with a termination, settlement, re-establishment or offset of the Long Notional Credit Derivative Transaction; and

"**D**" means the Unwind Costs.

(c) if the Conditions to Settlement have been satisfied with respect to the Long Reference Entity but the Conditions to Settlement have not been satisfied with respect to the Short Reference Entity prior to the Auction Settlement Date (or if a Fallback Settlement Event occurs, the Cash Settlement Date) in respect of the Long Reference Entity, then each Note will be subject to redemption by payment on the Auction Settlement Date (or if a Fallback Settlement Event occurs, the Cash Settlement Date) in respect of the Long Reference Entity of its pro rata share of an amount equal to:

Max (0, [A - B + C - D])

Where:

"**A**" means the Aggregate Principal Amount;

"**B**" means the Auction Settlement Amount (or if a Fallback Settlement Event occurs, the Cash Settlement Amount) in relation to the Long Reference Entity;

"**C**" means any gains (expressed as a positive number) or losses (expressed as a negative number) that would be realized or incurred, as applicable, by the Issuer in connection with a termination, settlement, re-establishment or offset of the Short Notional Credit Derivative Transaction; and

"**D**" means the Unwind Costs.

Redemption following Satisfaction of Conditions to Settlement (Credit Linked Notes other than CDS Spread Credit Linked Notes)

Upon satisfaction of the Conditions to Settlement in relation to any Reference Entity, each Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) will be subject to redemption:

(a) if the applicable Settlement Method is Auction Settlement, by payment of its *pro rata* share of the Auction Settlement Amount on the Auction Settlement Date, unless a Fallback Settlement Event occurs, in which event the Issuer shall perform its respective payment and/or delivery obligations in accordance with the applicable Fallback Settlement Method, except that, if the Conditions to Settlement with respect to a new Credit Event are satisfied following the occurrence of a Fallback Settlement Event with respect to a first Credit Event and no Fallback Settlement Event occurs with respect to such new Credit Event, the Issuer may, if it so elects on or prior to a related Valuation Date or Delivery Date, redeem the Credit Linked Notes by Auction Settlement as described in this paragraph;

(b) if the applicable Settlement Method is Physical Settlement, as described in "*—Additional Terms for Credit Linked Notes—Physical Settlement*"; and

(c) if the applicable Settlement Method is Cash Settlement, by payment of its *pro rata* share of the Cash Settlement Amount on the Cash Settlement Date.

If the applicable Settlement Method is Auction Settlement and, with respect to an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to sub-paragraphs (ii) or (iii)(b) of the definition of "No Auction Announcement Date", the Issuer may, on or prior to the Movement Option Cut-Off Date, elect to exercise the Movement Option. If the Issuer does not notify the relevant Calculation Agent of its intention to exercise the Movement Option on or prior to such date, such failure will constitute a Fallback Settlement Event and the Credit Linked Notes will be settled in accordance with the Fallback Settlement Method.

Where the Credit Linked Notes are Nth-to-Default Credit Linked Notes, the Conditions to Settlement shall not be satisfied with respect to the Credit Linked Notes until the Conditions to Settlement are satisfied with respect to the Nth Reference Entity. Where the Credit Linked Notes are Nth-to-Default Credit Linked Notes and the Conditions to Settlement are satisfied with respect to more than one Reference Entity on the same day, the relevant Calculation Agent shall determine in its sole discretion the order in which such Conditions to Settlement were satisfied.

Redemption following a Merger Event

If "Redemption Following a Merger Event" is specified as applicable in the relevant Pricing Supplement, in the event that a Merger Event has occurred, as determined by the relevant Calculation Agent, the Issuer may give notice to the Noteholders as described in "*—Notices*" and redeem all but not some only of the Credit Linked Notes on the Merger Event Redemption Date by payment of an amount to each Noteholder in respect of each Credit Linked Note equal to the outstanding principal amount of such Credit Linked Note, less such Noteholder's *pro rata* share of the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the relevant Calculation Agent in its sole and absolute discretion.

Additional Credit-Linked Note Disruption Events

If the relevant Calculation Agent determines that an Additional Credit-Linked Note Disruption Event has occurred, the Issuer may redeem the Credit Linked Notes by giving notice to Noteholders as described in "*—Notices*". If the Notes are so redeemed, the Issuer will pay an amount to each Noteholder in respect of each Credit Linked Note equal to the outstanding principal amount of such Credit Linked Note, less such Noteholder's *pro rata* share of the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the relevant Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders as described in "*—Notices*".

Suspension of Obligations

If a notice (a "**DC Notice**") is delivered to the DC Secretary relating to a DC Credit Event Question in relation to a Reference Entity (and notwithstanding that the relevant Credit Derivatives Determinations Committee has yet to determine whether Publicly Available Information is available), then unless the Issuer otherwise elects by notice to the relevant Calculation Agent and the Noteholders, from the date delivery of any such DC Notice is effective, any obligation of the Issuer to redeem any Credit Linked Note (including as described in "*—Redemption following Satisfaction of Conditions to Settlement*") or pay any amount of interest which would otherwise be due thereon shall, (or, in the case of Basket CLNs, the relevant portion thereof relating to the relevant Reference Entity), be and remain suspended (without interest accruing on any such suspended sum) until such time as the relevant Credit Derivatives Determinations Committee has Resolved on the DC Credit Event Question and one of a DC Credit Event Question Dismissal, a DC No Credit Event Announcement or a DC Credit Event Announcement has been publicly announced by the DC Secretary.

During such suspension period, the Issuer shall not be obliged to, nor entitled to, take any action in connection with the settlement of the Credit Linked Notes (or, in the case of Basket CLNs, the relevant portion thereof relating to the relevant Reference Entity). Once the DC Secretary has publicly announced the outcome of the DC Resolution relating to the DC Credit Event Question (one of a DC Credit Event Question Dismissal, a DC No Credit Event Announcement or a DC Credit Event Announcement), such suspension shall terminate and any obligations so suspended shall resume on the basis of such DC Resolution on the CLN Business Day following such public announcement by the DC Secretary, with the Issuer having the benefit of the full day notwithstanding when the suspension began. Any amount of interest so suspended shall, subject to the provisions described in "*—Additional Terms for Credit Linked Notes—Interest—Cessation of Interest Accrual*", become due on a date determined by the relevant Calculation Agent, in its sole discretion but not later than fifteen CLN Business Days following such public announcement by the DC Secretary.

For the avoidance of doubt, no interest shall accrue on any payment of interest or principal which is deferred as described in this "*Suspension of Obligations*" section.

Accrued Interest on Deliverable Obligations, Valuation Obligations

With respect to a Credit Linked Note or a Notional Credit Derivative Transaction for which:

(a) "Physical Settlement" is specified to be the Settlement Method in the relevant Pricing Supplement (or for which Physical Settlement is applicable as the Fallback Settlement Method), the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest, unless "Include Accrued Interest" is specified in the relevant Pricing Supplement, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest (as the relevant Calculation Agent shall determine in its sole discretion);

(b) "Cash Settlement" is specified to be the Settlement Method in the relevant Pricing Supplement (or if Cash Settlement is applicable as the Fallback Settlement Method), and:

(i) "Include Accrued Interest" is specified in the relevant Pricing Supplement, the Outstanding Principal Balance of the Valuation Obligation shall include accrued but unpaid interest;

(ii) "Exclude Accrued Interest" is specified in the relevant Pricing Supplement, the Outstanding Principal Balance of the Valuation Obligation shall not include accrued but unpaid interest; or

(iii) neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the relevant Pricing Supplement, the relevant Calculation Agent shall determine in its sole discretion, based on the then current market practice in the market of the Valuation Obligation whether the Outstanding Principal Balance of the Valuation Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof; or

(c) the provisions described in any of the "*—Partial Cash Settlement Due to Impossibility or Illegality*", "*—Partial Cash Settlement of Consent Required Loans*", *"—Partial Cash Settlement of Assignable Loans*", "*—Partial Cash Settlement of Participations*" or "*—Non-Delivery of Deliverable Obligations"* sub-sections of "*—Additional Terms for Credit Linked Notes—Physical Settlement*", or in paragraph (b)(ii) of "*—Restructuring Credit Event—Mod Mod R*", are applicable, the relevant Calculation Agent shall determine in its sole discretion, based on the then current market practice in the market of the relevant Undeliverable Asset, whether such Quotations shall include or exclude accrued but unpaid interest.

Miscellaneous provisions relating to Redemption

If the Credit Linked Notes are partially redeemed, the relevant Credit Linked Notes or, if the Credit Linked Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such partial redemption. Upon such partial redemption, the outstanding principal amount of each Credit Linked Note shall be reduced for all purposes (including accrual of interest thereon) accordingly.

Payment of the outstanding principal amount of any Credit Linked Note on the CLN Maturity Date or redemption of any Credit Linked Note, in each case as described in this "*Redemption*" section, together with payment of interest, if any, due thereon shall discharge all or the relevant portion of the obligations of the Issuer in relation thereto.

Any amount payable under the provisions described in "*—Redemption following Satisfaction of Conditions to Settlement*" shall be rounded downwards to the nearest sub-unit of the relevant currency.

Interest

Cessation of Interest Accrual

Upon the occurrence of an Event Determination Date in respect of any Reference Entity, interest on such Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) shall cease to accrue with effect from and including either:

(a) the Interest Payment Date immediately preceding such Event Determination Date (or, in the case of an Event Determination Date occurring during the first Interest Period, the Interest Commencement Date); or

(b) if so specified in the relevant Pricing Supplement, such Event Determination Date.

Interest following Scheduled Maturity

Subject to the provisions described in "*—Cessation of Interest Accrual*", if an Extension Notice has been given, each Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) which is outstanding following the Scheduled Maturity Date shall continue to bear interest from (and including) the Scheduled Maturity Date to (but excluding) the related CLN Maturity Date at a rate of interest equal to either:

(a) the rate that the Issuer would pay to an independent customer in respect of overnight deposits in the currency of the Credit Linked Notes; or

(b) such other rate as shall be specified for such purpose in the relevant Pricing Supplement.

Interest at Redemption

If a payment is made on the Credit Linked Notes on the CLN Maturity Date or the Credit Linked Notes are redeemed, in either case pursuant to the general terms of the Notes (as described elsewhere in this "*Description of the Notes*") or the provisions of these Credit Linked Terms, the Scheduled Maturity Date, the CLN Maturity Date (if not the Scheduled Maturity Date), the Auction Settlement Date, the Cash Settlement Date or the last Delivery Date, as the case may be, shall be an Interest Payment Date in respect of each Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) and the Issuer shall pay any interest that has accrued but which has not been previously paid in respect of each Credit Linked Note (or, as applicable, the relevant portion thereof) on such Interest Payment Date.

Physical Settlement

Delivery and payment

If Physical Settlement is the applicable Settlement Method of any Credit Linked Note, then following an Event Determination Date the Issuer shall, subject to the provisions described in the "*—Partial Cash Settlement Due to Impossibility or Illegality*", "*—Partial Cash Settlement of Consent Required Loans*", "*—Partial Cash Settlement of Assignable Loans*", "*—Partial Cash Settlement of Participations*", "*—Non-Delivery of Deliverable Obligations*" and "*—Asset Transfer Notice*" sections below, deliver to the relevant Calculation Agent and Noteholders a Notice of Physical Settlement on or prior to the NOPS Cut-off Date, and, on or prior to the related Physical Settlement Date, redeem such Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof), respectively, by:

(a) Delivering a *pro rata* share (the "**Entitlement**") of the Deliverable Obligations specified in the related Notice of Physical Settlement; and

(b) paying such Credit Linked Note's *pro rata* portion of the related Physical Settlement Adjustment Rounding Amount.

Partial Cash Settlement Due to Impossibility or Illegality

If, due to an event beyond the control of the Issuer, it is impossible or illegal for the Issuer to Deliver, or due to an event beyond the control of any Noteholder, it is impossible or illegal for the relevant Noteholder to accept Delivery of, any of the Deliverable Obligations (other than a Deliverable Obligation described in paragraph (iv) of the definition of "Deliverable Obligation") specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, on the related Physical Settlement Date (including, without limitation, failure of the relevant clearance system or due to any law, regulation or court order, but excluding market conditions or the failure to obtain requisite consent with respect to Delivery of Loans), then on or before such date the Issuer shall Deliver and each Noteholder shall take Delivery of any of the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, for which it is possible and legal to take Delivery. If, following the occurrence of any such impossibility or illegality, the amount of Deliverable Obligations that are to be Delivered as specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, are not Delivered to the relevant Noteholder on or prior to the Latest Permissible Physical Settlement Date, then with respect to the Deliverable Obligations that cannot be Delivered (the "**Undeliverable Obligations**"), the Issuer shall pay to the relevant Noteholder an amount equal to the applicable Partial Cash Settlement Amount on the applicable Partial Cash Settlement Date.

Partial Cash Settlement of Consent Required Loans

If:

(a) "Partial Cash Settlement of Consent Required Loans" is specified as applicable in the relevant Pricing Supplement;

(b) the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, include Consent Required Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Noteholders or their respective designees and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

(c) (A) "Direct Loan Participation" is not specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement, or (B) "Direct Loan Participation" is specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

then with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, that consist of Consent Required Loans for which consents are not obtained or deemed given (the "**Undeliverable Loan Obligations**"), the Issuer shall pay to the relevant Noteholder an amount equal to the applicable Partial Cash Settlement Amount on the applicable Partial Cash Settlement Date.

Partial Cash Settlement of Assignable Loans

If:

(a) "Partial Cash Settlement of Assignable Loans" is specified as applicable in the relevant Pricing Supplement;

(b) the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable include Assignable Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Noteholders or their respective designees and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

(c) (A) "Direct Loan Participation" is not specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement, or (B) "Direct Loan Participation" is specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

then with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, that consist of Assignable Loans for which consents are not obtained or deemed given (the "**Unassignable Obligations**"), the Issuer shall pay to the relevant Noteholder an amount equal to the applicable Partial Cash Settlement Amount on the applicable Partial Cash Settlement Date.

Partial Cash Settlement of Participations

If:

(a) "Partial Cash Settlement of Participations" is specified as applicable in the relevant Pricing Supplement; and

(b) the Deliverable Obligations include Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

then with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, that consist of Direct Loan Participations in respect of which the relevant participation is not effected (the "**Undeliverable Participations**"), the Issuer shall pay to the relevant Noteholder an amount equal to the applicable Partial Cash Settlement Amount on the applicable Partial Cash Settlement Date.

Non-Delivery of Deliverable Obligations

If the Issuer does not Deliver (including following the occurrence of a Hedge Disruption Event) any Deliverable Obligation specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, other than as a result of an event or circumstance described in any of "*—Partial Cash Settlement Due to Impossibility or Illegality*", "*—Partial Cash Settlement of Consent Required Loans*", "*—Partial Cash Settlement of Assignable Loans*" or "*—Partial Cash Settlement of Participations*", such failure shall not constitute an Event of Default for the purpose of the Credit Linked Notes and the Issuer may continue to attempt to Deliver the Deliverable Obligations that are Bonds or Loans until the Extended Physical Settlement Date. If, as at the relevant Extended Physical Settlement Date, any such Deliverable Obligations have not been Delivered, then with respect to such Deliverable Obligations (the "**Non-Deliverable**

Obligations"), the Issuer shall pay to the relevant Noteholder an amount equal to the applicable Partial Cash Settlement Amount on the applicable Partial Cash Settlement Date.

Aggregation and Rounding

Where a Noteholder holds Credit Linked Notes in an aggregate principal amount greater than the Specified Denomination, the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of the Credit Linked Notes shall be aggregated for the purposes of the provisions described in this "*Physical Settlement*" section. If the principal amount of the Deliverable Obligations to be Delivered in respect of each Credit Linked Note to be redeemed as described in this "*Aggregation and Rounding*" section on any occasion is not equal to an authorized denomination (or integral multiple thereof) of such Deliverable Obligations then the principal amount of Deliverable Obligations to be Delivered will be rounded down to the nearest authorized denomination or multiple thereof, or, if none, to zero. In such circumstances, the Deliverable Obligations that were not capable of being Delivered shall, if and to the extent practicable, be sold by the Issuer or such other agent as may be appointed by the Issuer for such purpose and, if they are so sold, the Issuer shall make payment in respect of each Credit Linked Note in an amount equal to its *pro rata* share of the related net sale proceeds as soon as reasonably practicable following receipt thereof.

Delivery and Fees

The Delivery of any of the Deliverable Obligations pursuant to the provisions described in this "*Physical Settlement*" section shall be made in such commercially reasonable manner as the Issuer shall, in its sole discretion, determine to be appropriate for such Delivery. Subject as set out in the definition of "Deliver":

(a) any recordation, processing or similar fee reasonably incurred by the Issuer and/or any of its Affiliates and payable to the agent under a Loan in connection with an assignment (where Deliverable Obligations include Assignable Loans or Consent Required Loans) shall be payable by the relevant Noteholders, and if any Stamp Tax is payable in connection with the Delivery of any Deliverable Obligations, payment thereof shall be made by the relevant Noteholders; and

(b) any other expenses arising from the Delivery and/or transfer of the Deliverable Obligations shall be for the account of the Noteholders or the Issuer, as appropriate, determined in accordance with then current market conventions; and

(c) where the Deliverable Obligation is a Qualifying Policy, any transfer or similar fee reasonably incurred by the Issuer in connection with the Delivery of such Qualifying Policy and payable to the Reference Entity shall be payable by the Issuer and the Noteholders equally on the Delivery Date or Latest Permissible Physical Settlement Date, as applicable.

Delivery and/or transfer of the Deliverable Obligations shall be delayed until all expenses relating to such Delivery or transfer payable by the Noteholders have been paid to the satisfaction of the Issuer.

Asset Transfer Notice

A Noteholder will not be entitled to any of the amounts or assets specified as being due to it in the provisions described in this "*Physical Settlement*" section upon the satisfaction of the Conditions to Settlement unless it has presented or surrendered (as is appropriate) the relevant Credit Linked Note and delivered an Asset Transfer Notice (in a form acceptable to the Issuer) as described in "*—Delivery*". For so long as the Credit Linked Notes are held in any clearing system, any communication from such clearing system on behalf of the Noteholder containing the information required in paragraphs (A) to (G) of "*—Delivery*" will be treated as an Asset Transfer Notice. For as long as Bearer Notes are represented by a Global Note, surrender of Credit Linked Notes for such purpose will be effected by presentation of the Global Note and its endorsement to note the principal amount of Credit Linked Notes to which the relevant Asset Transfer Notice relates.

NOPS Amendment Notice

The Issuer may, from time to time, notify the relevant Calculation Agent and Noteholders (each such notification, a "**NOPS Amendment Notice**") that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective). A NOPS Amendment Notice shall contain a revised detailed

description of each replacement Deliverable Obligation that the Issuer will Deliver to Noteholders (each, a "**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 each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant 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 Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice).

Notwithstanding the foregoing, (i) the Issuer 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 the relevant Calculation Agent and Noteholders prior to the relevant Delivery Date and (ii) if Asset Package Delivery is applicable, the Issuer shall on the NOPS Effective Date, or as soon as reasonably practicable thereafter (but in any case, prior to the Delivery Date), notify the relevant Calculation Agent and Noteholders of the detailed description of the Asset Package, if any, that it intends to Deliver to Noteholders 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 shall not constitute a NOPS Amendment Notice.

Delivery

(a) *Procedure*

In relation to Credit Linked Notes to which Physical Settlement applies, in order to obtain Delivery of the Entitlement in respect of any Credit Linked Note:

(i) if such Credit Linked Note is represented by a Global Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to a relevant Paying Agent and any entity appointed by the Issuer to Deliver the Entitlement on its behalf (the "**Delivery Agent**") not later than the close of business in each place of receipt on the Cut-Off Date, a duly completed Asset Transfer Notice in compliance with the requirements of the provisions described in this "*Delivery*" section and in a form acceptable to the Issuer; and

(ii) if such Credit Linked Note is in definitive form, the relevant Noteholder must deliver (x) if the Credit Linked Note is a Bearer Note, to any relevant Paying Agent, or (y) if the Credit Linked Note is a Registered Note, to the relevant Registrar or any relevant Paying Agent, in each case, with a copy to such relevant Paying Agent and the Delivery Agent (as defined above) not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in compliance with the requirements of the provisions described in this "*Delivery*" section and in a form acceptable to the Issuer.

For the purposes hereof, "**Cut-off Date**" means the date specified as such in the relevant Pricing Supplement or, if not so specified, such other date specified by the Issuer, either in the Notice of Physical Settlement or otherwise.

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of the relevant Registrar in respect of Notes or a relevant Paying Agent.

An Asset Transfer Notice may only be delivered (i) if such Credit Linked Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, or (ii) if such Credit Linked Note is in definitive form, in writing.

If a Credit Linked Note is in definitive form, it must be delivered together with the duly completed Asset Transfer Notice.

The Asset Transfer Notice shall:

(A) specify the name, address and contact telephone number of the relevant Noteholder and the person from whom the Issuer or the Delivery Agent may obtain details for the Delivery of the Entitlement;

(B) specify the series number of the Credit Linked Notes and the number of Credit Linked Notes which are the subject of such notice;

(C) in the case of Credit Linked Notes represented by a Global Note, specify the principal amount of Credit Linked Notes which are the subject of such notice and the number of the Noteholder's account at the relevant clearing system to be debited with such Credit Linked Notes and irrevocably instruct and authorize the relevant clearing system to debit the relevant Noteholder's account with such Credit Linked Notes on the Asset Transfer Date;

(D) include an undertaking to pay all Expenses and, in the case of Credit Linked Notes represented by a Global Note, an authority to the relevant clearing system to debit a specified account of the Noteholder with the relevant clearing system in respect thereof and to pay such Expenses;

(E) include such details as are required 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 Noteholder's account to be credited with any cash payable by the Issuer, including as described in "*—Provisions relating to LPN Reference Entities*" below, in respect of any cash amount constituting the Entitlement;

(F) certify that the beneficial owner of each Credit Linked Note is not a U.S. person (as defined in the Asset Transfer Notice), the Credit Linked 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; and

(G) authorize the production of such certification in any applicable administrative or legal proceedings.

(b) *Verification of the Noteholder*

In the case of Credit Linked Notes represented by a Global Note, upon receipt of an Asset Transfer Notice, the relevant clearing system shall verify that the person delivering the Asset Transfer Notice is the holder of the Credit Linked Notes described therein according to its records. Subject thereto, the relevant clearing system will confirm to the relevant Paying Agent to which the Asset Transfer Notice was delivered (the "**Applicable Paying Agent**") the series number and number of Credit Linked Notes the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Credit Linked Note. Upon receipt of such confirmation, the Applicable Paying Agent will inform the Issuer and any Delivery Agent thereof and the Issuer will countersign the Asset Transfer Notice as confirmation that the Applicable Paying Agent is authorized and instructed to endorse or procure the endorsement of the Global Note to note the cancellation of the principal amount of Credit Linked Notes to which the relevant Asset Transfer Notice relates. The relevant clearing system will, on the Asset Transfer Date, debit the securities account of the relevant Noteholder with the relevant Credit Linked Notes.

(c) *Determinations and Delivery*

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made, in the case of Credit Linked Notes represented by a Global Note, by the relevant clearing system or, in the case of Credit Linked Notes in definitive form, by the relevant Registrar, in consultation with the Applicable Paying Agent, and shall be conclusive and binding on the

Issuer, each relevant Paying Agent, any Delivery Agent and the relevant Noteholder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to a relevant Paying Agent and any Delivery Agent immediately after being delivered or sent as provided in paragraph (a) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of, in the case of Credit Linked Notes represented by a Global Note, the relevant clearing system or, in the case of Credit Linked Notes in definitive form, by the relevant Registrar, in consultation with the Applicable Paying Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above. No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant clearing system, the relevant Registrar or a relevant Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Credit Linked Notes that are the subject of such notice. The Entitlement will be delivered at the risk of the relevant Noteholder, in the manner provided below on the Delivery Date, **provided that** the Asset Transfer Notice is duly delivered as provided above on or prior to the Cut-Off Date.

If a Noteholder fails to give an Asset Transfer Notice as provided herein with a copy to a relevant Paying Agent and the Delivery Agent, on or prior to the Cut-Off Date, then the Entitlement will be Delivered as soon as practicable after the date fixed for redemption (in which case, such date of delivery shall be the Delivery Date) at the risk of such Noteholder in the manner provided below. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Delivery Date falling after the date fixed for redemption and no liability in respect thereof shall attach to the Issuer.

The Issuer (or any Delivery Agent on its behalf) shall at the risk of the relevant Noteholder, Deliver the Deliverable Obligations comprising the Entitlement, in such commercially reasonable manner as the relevant Calculation Agent shall in its sole discretion determine and notify to the person designated by the Noteholder in the relevant Asset Transfer Notice or in such manner as is specified in the relevant Pricing Supplement. All costs, taxes, duties and/or expenses including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes ("**Expenses**") arising from the Delivery of the Deliverable Obligations comprising the Entitlement in respect of such Credit Linked Notes shall be for the account of the relevant Noteholder and no Delivery of the Deliverable Obligations comprising the Entitlement shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

On the date on which the Entitlement has been Delivered to the relevant Noteholder (the "**Asset Transfer Date**"), the Issuer (or any Delivery Agent on its behalf) shall notify the relevant clearing system that settlement of the relevant Credit Linked Notes of such Noteholder has been effected.

(d) *General*

For such period of time after Delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the relevant Registrar, any Delivery Agent or any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Noteholder 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, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations or Deliverable Obligations or (iii) be under any liability to a Noteholder in respect of any loss or damage which such Noteholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations or Deliverable Obligations.

(e) *Asset Package Delivery*

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.

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) each Asset in the Asset Package shall be Delivered **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 CLN Business Days following the date on which the Issuer has notified Noteholders and the relevant Calculation Agent of the detailed description of the Asset Package that it intends to Deliver in the 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.

Provisions relating to Obligation Category and Obligation Characteristics, and Deliverable Obligation Category and Deliverable Obligation Characteristics

Obligation Characteristics

If either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the relevant Pricing Supplement, the relevant Pricing Supplement shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.

Deliverable Obligation Category and Characteristics

(a) If either of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the relevant Pricing Supplement, such Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds.

(b) If the Deliverable Obligation Characteristic "Transferable" is specified in the relevant Pricing Supplement, such Pricing Supplement 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.

(c) If any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the relevant Pricing Supplement, such Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans.

(d) If more than one of "Assignable Loan", "Consent Required Loan" and "Direct Loan Participation" are specified as Deliverable Obligation Characteristics in the relevant Pricing Supplement, 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.

(e) 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.

(f) If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the relevant Pricing Supplement, and an obligation would otherwise satisfy a particular Obligation Characteristic or 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 Obligation Characteristic or Deliverable Obligation Characteristic.

(g) For the purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements described in "*—Restructuring Credit Event—Mod R*" and "*—Restructuring Credit Event—Mod Mod R*", 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.

(h) If "Subordinated European Insurance Terms" is specified as applicable in the relevant Pricing Supplement, and 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.

Guarantee Obligations

If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:

(a) for purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to be described by the same category or categories as those that describe the Underlying Obligation;

(b) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement 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 or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement 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";

(d) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor;

(e) the term "Due and Payable Amount" (as used in these Credit Linked Terms), when used in connection with Qualifying Guarantees are to be interpreted to be the then "Due and Payable Amount", as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee; and

(f) for the avoidance of doubt, the provisions as described in this "*Provisions relating to Obligation Category and Obligation Characteristics, and Deliverable Obligation Category and Deliverable Obligation Characteristics*" section apply in respect of the definitions of "Obligation", "Valuation Obligation" and "Deliverable Obligation" as the context admits.

Qualifying Policies

In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, the provisions described in "*Guarantee Obligations*" above 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:

(g) 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 "obligor" in respect of such an Insured Instrument shall be construed accordingly;

(h) 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;

(i) 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 this Confirmation;

(j) if the "Assignable Loan", "Consent Required Loan", "Direct Loan Participation" or "Transferable" Deliverable Obligation Characteristics are specified as applicable in the relevant Pricing Supplement 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;

(k) 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

(l) 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.

Succession

Single Reference Entity

Where the Notes are Single Reference Entity CLNs and more than one Successor has been identified, each Credit Linked Note will be deemed for all purposes to have been divided into the same number of new Credit Linked Notes as there are Successors, with the following terms:

(a) each Successor will be the Reference Entity for the purposes of one of the deemed new Credit Linked Notes;

(b) in respect of each deemed new Credit Linked Note, the Reference Entity Notional Amount will be the Reference Entity Notional Amount applicable to the original Reference Entity divided by the number of Successors; and

(c) all other terms and conditions of the original Credit Linked Notes will be replicated in each deemed new Credit Linked Note except to the extent that modification is required, as determined by the relevant Calculation Agent in its sole discretion, to preserve the economic effects of the original Credit Linked Notes in the deemed new Credit Linked Notes (considered in aggregate).

Nth-to-Default Credit Linked Notes

Where the Notes are Nth-to-Default Credit Linked Notes:

(a) where more than one Successor has been identified (other than for a Reference Entity in respect of which a Credit Event has occurred), each Credit Linked Note will be deemed for all purposes to have been divided into a number of new Credit Linked Notes equal to the number of Successors, and each such new Credit Linked Note shall include a Successor and each and every one of the Reference Entities unaffected by such succession and the provisions described in paragraphs (a) to (c) of "—*Single Reference Entity*" above shall apply thereto;

(b) if "Substitution" is specified as not being applicable in the relevant Pricing Supplement, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to the 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 relevant Pricing Supplement, where the Surviving Reference Entity (other than a Reference Entity that is subject to the succession) would be a Successor to a Legacy Reference Entity:

(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.

Basket CLNs

Where the Credit Linked Notes are Basket CLNs, and one or more Successors have been identified in respect of a Reference Entity (the "**Affected Entity**"):

(a) the Affected Entity will no longer be a Reference Entity (unless it is a Successor as described in (b) below);

(b) each Successor will be deemed a Reference Entity (in addition to each Reference Entity which is not an Affected Entity);

(c) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity divided by the number of Successors;

(d) the relevant Calculation Agent may, at its discretion, make any modifications to the terms of the Credit Linked Notes which may be required to preserve the economic effects of the Credit Linked Notes prior to the relevant succession (considered in the aggregate); and

(e) for the avoidance of doubt, a Reference Entity may, as a result of a succession, be represented in the Reference Portfolio with respect to multiple Reference Entity Notional Amounts.

CDS Spread Credit Linked Notes

Where the Notes are CDS Spread Credit Linked Notes:

(a) where more than one Successor has been identified, each Credit Linked Note will be deemed for all purposes to have been divided into a number of new Credit Linked Notes equal to the number of Successors, and each such new Credit Linked Note shall include a Successor and the remaining Reference Entity unaffected by such succession and the provisions described in paragraphs (a) to (c) of "—*Single Reference Entity*" above shall apply thereto;

(b) if "Substitution" is specified as not being applicable in the relevant Pricing Supplement, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to the 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 relevant Pricing Supplement, where the Surviving Reference Entity (other than a Reference Entity that is subject to the succession) would be a Successor to a Legacy Reference Entity:

(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.

Substitute Reference Obligations for Reference Obligation Only Trades

Where the relevant Notional Credit Derivative Transaction in respect of a Reference Entity is a Reference Obligation Only Trade, if the event set out in sub-paragraph (i) of the definition of "Substitution Event" occurs with respect to the Reference Obligation in such Reference Obligation Only Trade, the Substitution Event Date shall be the CLN Maturity Date and the Issuer shall make a payment of the outstanding principal

amount of the Credit Linked Notes as described in "*—Redemption—Payment At Maturity absent Satisfaction of Conditions to Settlement*".

Notwithstanding the definition of "Substitute Reference Obligation", (a) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Trade and (b) if the events set out in sub-paragraphs (ii) or (iii) 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.

Provisions relating to LPN Reference Entities

The following provisions shall apply if the relevant Pricing Supplement provides that "LPN Reference Entity" is applicable:

(a) Multiple Noteholder Obligation will not be applicable with respect to any Reference Obligation and any Underlying Loan;

(b) each Reference Obligation will be an Obligation notwithstanding anything to the contrary (including, but not limited to, the definition of "Deliverable Obligation") in these Credit Linked Terms, and in particular, 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 (including, but not limited to, the definition of "Deliverable Obligation") in these Credit Linked Terms, and in particular, that the obligation is not an obligation of the Reference Entity;

(d) 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; and

(e) 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.

Restructuring Credit Event

Multiple Credit Event Notices

Upon the occurrence of a Restructuring Credit Event with respect to a Reference Entity for which Restructuring is an applicable Credit Event and either "Mod R" or "Mod Mod R" is specified in the relevant Pricing Supplement:

(a) the relevant Calculation Agent may deliver multiple Credit Event Notices with respect to such Restructuring Credit Event, each such notice setting forth the amount of the relevant Reference Entity Notional Amount to which such Restructuring Credit Event applies (the "**Exercise Amount**"); **provided that** if the Credit Event Notice does not specify an Exercise Amount, the then outstanding Reference Entity Notional Amount (and not a portion thereof) will be deemed to have been specified as the Exercise Amount;

(b) if the relevant Calculation Agent has delivered a Credit Event Notice that specifies, for each Credit Linked Note, an Exercise Amount that is less than the outstanding principal amount of such Credit Linked Note, the rights and obligations of the parties shall, with effect from the date such Credit Event Notice is effective, be construed as if such Credit Linked Note had split into two Credit Linked Notes, one of which has an outstanding principal amount equal to the Exercise Amount and, upon the occurrence of an Event Determination Date, will be settled in accordance with the applicable Settlement Method or Fallback Settlement Method, as applicable, as described in "*—Redemption—Redemption following Satisfaction of Conditions to Settlement*", and the other of which will have an outstanding principal amount equal to the outstanding principal amount of such Credit Linked Note prior to the delivery of such Credit Event Notice minus the Exercise Amount, and will continue in effect with such modifications as the relevant Calculation Agent (in consultation with the parties) shall determine are required in order to preserve the economic effects of the two Credit Linked Notes so split (considered in aggregate);

(c) the Exercise Amount in connection with a Credit Event Notice describing an M(M)R Restructuring must be an amount that is at least 1,000,000 units of the currency (or, if Japanese Yen, 100,000,000 units) in which the relevant Reference Entity Notional Amount is denominated or any integral multiple thereof or the entire relevant Reference Entity Notional Amount; and

(d) the Exercise Amount in connection with a Credit Event Notice describing a Credit Event (i) other than a Restructuring, or (ii) where neither "Mod R" nor "Mod Mod R" is specified in the relevant Pricing Supplement, in each case must be equal to the relevant Reference Entity Notional Amount (and not a portion thereof).

In the case of an Nth-to-Default Credit Linked Note, once the Conditions to Settlement have been satisfied in respect of the Nth Reference Entity where the Credit Event is a Restructuring Credit Event, no further Credit Event Notices may be delivered in respect of any other Reference Entity (save to the extent that the Credit Linked Notes are deemed to have been divided into new Credit Linked Notes as described in "— *Succession*" above).

If any Credit Linked Note is subject to partial redemption as described in this "*Restructuring Credit Event*" section, 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 partial redemption.

For the avoidance of doubt, the provisions described in this "*Restructuring Credit Event*" section shall not be applicable in respect of a Reference Entity for which Restructuring is an applicable Credit Event, but neither "Mod R" nor "Mod Mod R" is specified in the relevant Pricing Supplement.

Mod R

In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Mod R" is specified in the relevant Pricing Supplement, and 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 or, as applicable, Valuation Obligation, may only be specified in a Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Issuer to form part of the related Valuation Obligations Portfolio only if it:

(a) is a Fully Transferable Obligation; and

(b) has a final maturity date (which term, with respect to a Qualifying Policy and an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, 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) not later than the applicable Restructuring Maturity Limitation Date.

Mod Mod R

(a) In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Mod Mod R" is specified in the relevant Pricing Supplement, and 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 or, as applicable, Valuation Obligation, may only be specified in the Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Issuer to form part of the related Valuation Obligations Portfolio, only if it:

  (i) is a Conditionally Transferable Obligation; and

  (ii) has a final maturity date (which term, with respect to a Qualifying Policy and an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, 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) not later than the applicable Modified Restructuring Maturity Limitation Date.

Notwithstanding the foregoing, for purposes of the above, 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.

(a) If the Deliverable Obligation specified in the Notice of Physical Settlement (or any NOPS Amendment Notice, as applicable) is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer and 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 Physical Settlement Date (in which case it shall be deemed to have been refused), the Issuer shall, as soon as reasonably practicable, notify the relevant Noteholders of such refusal (or deemed refusal) and:

(i) each such Noteholder may designate a third party (which may or may not be an Affiliate of such Noteholder) to take Delivery of the Deliverable Obligation on its behalf; and

(ii) if a Noteholder does not designate a third party that takes Delivery on or prior to the date which is three CLN Business Days after the Physical Settlement Date, then the Issuer will redeem the Credit Linked Notes in respect of which Delivery has not been effected, by payment of the relevant Partial Cash Settlement Amount to such Noteholder on the relevant Partial Cash Settlement Date.

Multiple Noteholder Obligations

Unless "Multiple Noteholder Obligation" is specified as not applicable in the relevant Pricing Supplement, then, notwithstanding anything to the contrary in the definition of "Restructuring", the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (i)(A)-(E) of the definition of "Restructuring" shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Noteholder Obligation.

Miscellaneous Provisions relating to the Credit Linked Notes

Determinations of the Calculation Agent

The determination by the relevant 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 relevant Calculation Agent pursuant to the provisions of these Credit Linked Terms shall (in the absence of manifest error) be final and binding on the Issuer and the Noteholders. In performing its duties pursuant to the Credit Linked Notes, the relevant Calculation Agent shall act in its sole and absolute discretion and, unless otherwise expressly stated, is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee. Whenever the relevant Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. If the relevant Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the relevant Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Linked Notes 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 relevant Calculation Agent or the Issuer shall, in the absence of willful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

If, where the relevant Calculation Agent has relied upon a DC Resolution for the purposes of making a calculation or determination with respect to the Credit Linked Notes, ISDA or the DC Secretary publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution, such reversal will be taken into account for the purposes of any subsequent calculations excepting instances where any Credit Linked Notes which would otherwise have been affected by such a reversal have already been redeemed (where redeemed in part, to the extent of any such redemption). The relevant Calculation Agent, acting in a commercially reasonable manner, will make any adjustment to any future payments as are required to take account of such reversal, including any payment of additional interest or any reduction in any interest or any other amount payable under the Credit Linked Notes. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

Because the relevant Calculation Agent is an Affiliate of the Issuer, the economic interests of the relevant Calculation Agent and its Affiliates may be adverse to the interests of the holders of the Credit Linked

Notes, including with respect to certain determinations and judgments that the relevant Calculation Agent must make, including, designation of a Credit Event and selecting the obligations of the Reference Entity for valuation purposes.

Change in Standard Terms and Market Conventions

The relevant Calculation Agent, acting reasonably, may (but shall not be obligated to) modify the provisions of these Credit Linked Terms from time to time with effect from a date designated by the relevant Calculation Agent to the extent necessary to ensure consistency with prevailing market standards or market trading conventions, which are, pursuant to the agreement of the leading dealers in the credit derivatives market or any relevant committee established by ISDA, a market-wide protocol, any applicable law or regulation or the rules of any applicable exchange or clearing system, applicable to any Notional Credit Derivative Transaction or Hedge Transaction entered into prior to such date or terms thereof or to conform the Issuer's obligations under the Credit Linked Notes with the Issuer's rights under any Hedge Transaction. The relevant Calculation Agent shall notify the Issuer and the Noteholders as soon as reasonably practicable upon making any such determination. For the avoidance of doubt, the relevant Calculation Agent may not, without the consent of the Issuer, amend pursuant to the provisions described in this paragraph any of the terms and conditions of the Credit Linked Notes other than the applicable provisions of these Credit Linked Terms. In particular, the relevant Calculation Agent may make such modifications as may be necessary to ensure consistency with any successor provisions which are published by ISDA and which supersede the Credit Derivatives Definitions ("**Successor Provisions**") for the purposes of credit derivatives transactions generally (including with respect to transactions which are entered into prior to the relevant date of publication and which are outstanding as of that date) and/or may apply and rely on determinations of the Credit Derivatives Determinations Committee made in respect of a relevant Reference Entity under any such Successor Provisions notwithstanding any discrepancy between the terms of such Successor Provisions and the provisions of these Credit Linked Terms.

Delivery of Notices

As soon as reasonably practicable after receiving a Credit Event Notice or Notice of Publicly Available Information from the relevant Calculation Agent, the Issuer shall promptly inform, or shall procure that the relevant Calculation Agent informs the Noteholders in accordance with the provisions described in "*—Notices*". Resolutions of the Credit Derivatives Determinations Committee are, as of the date hereof, available on the website of the Credit Derivatives Determinations Committees (http://www.cdsdeterminationscommittees.org/dc-rules/).

Effectiveness of Notices

Any notice referred to in the provisions described in "*—Delivery of Notices*" above which is delivered on or prior to 4:00 p.m. (London time) on a London Business Day is effective on such date and if delivered after such time or on a day that is not a London Business Day, is deemed effective on the next following London Business Day.

No Event Determination Date

Subject to the provision described in "*—Redemption—Suspension of Obligations*" above, no Event Determination Date will occur with respect to an event, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the CLN Maturity Date, as applicable, a DC No Credit Event Announcement occurs with respect to such event.

Excess Amounts

If, on a CLN Business Day, the relevant Calculation Agent reasonably determines that an Excess Amount has been paid to Noteholders on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Noteholders in accordance with the provisions described in "*—Notices*", the Issuer may deduct any such Excess Amount from future payments in relation to the Credit Linked Notes (whether interest or principal) or may reduce the amount of any assets deliverable under the terms of the Credit Linked Notes to the extent that it determines, acting reasonably, to be necessary to compensate for such Excess Amount.

Timing

Subject to the provisions relating to timing in "*—Effectiveness of Notices*" above and the definition of "Failure to Pay", in order to determine the day on which an event occurs for purposes of the Credit Derivatives Definitions, the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Transaction Type of a 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.

Additional Terms for Equity Linked Notes

General

Valuation, Market Disruption and Averaging Dates

(i) "**Valuation Date**" means each date specified as such in the relevant Pricing Supplement, each Knock-In Determination Day, and each Knock-Out Determination Day (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day), subject to the provisions of paragraph (iii) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*". If any Valuation Date is a Disrupted Day, then:

(a) in the case of a Single Index Note or Single Share Note, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days (or such other number of days specified in the relevant Pricing Supplement as the Maximum Number of Disrupted Days) immediately following the Scheduled Valuation Date (and, as the case may be, the relevant Knock-In Determination Day or each Knock-Out Determination Day) is a Disrupted Day. In that case: (1) the last such Disrupted Day (the "**Last Disrupted Scheduled Trading Day**") shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and (2) the relevant Calculation Agent shall determine in its sole and absolute discretion:

(1) in respect of a Single Index Note, the level of the Index as of the Valuation Time on the Last Disrupted Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Last Disrupted Scheduled Trading Day of each security or other property comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Last Disrupted Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the Last Disrupted Scheduled Trading Day); and

(2) in respect of a Single Share Note, its good faith estimate of the value for the Share as of the Valuation Time on the Last Disrupted Scheduled Trading Day;

(b) in the case of an Index Basket Note, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Index, unless each of the eight Scheduled Trading Days (or such other number of days specified in the relevant Pricing Supplement as the Maximum Number of Disrupted Days) immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Index. In that case: (1) the last such Disrupted Day (the "**Last Disrupted Scheduled Trading Day**") shall be deemed to be the Valuation Date for the relevant Index, notwithstanding the fact that such day is a Disrupted Day; and (2) the relevant Calculation Agent shall determine, in its sole and absolute discretion, the level of that Index as of the Valuation Time on the Last Disrupted Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Last Disrupted Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Last Disrupted Scheduled

Trading Day, its good faith estimate of the value for each relevant security as of the Valuation Time on the Last Disrupted Scheduled Trading Day); and

(c) in the case of a Share Basket Note, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Share affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Share, unless each of the eight Scheduled Trading Days (or such other number of days specified in the relevant Pricing Supplement as the Maximum Number of Disrupted Days) immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Share. In that case: (1) the last such Disrupted Day (the "**Last Disrupted Scheduled Trading Day**") shall be deemed to be the Valuation Date for the relevant Share, notwithstanding the fact that such day is a Disrupted Day; and (2) the relevant Calculation Agent shall determine, in its sole and absolute discretion, its good faith estimate of the value for that Share (as the case may be) as of the Valuation Time on the Last Disrupted Scheduled Trading Day.

(ii) For the purposes hereof:

"**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.

(iii) If "Averaging Date Provisions" are specified in the relevant Pricing Supplement as being applicable, then, notwithstanding any other provisions under "*Additional Terms for Equity Linked Notes – General*", the following provisions will apply to the valuation of the relevant Index, Share, Basket of Indices or Basket of Shares in relation to a Valuation Date:

(a) "**Averaging Date**" means, in respect of each Valuation Date, each date specified or otherwise determined as provided in the relevant Pricing Supplement (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day);

(b) For purposes of determining the Settlement Price in relation to a Valuation Date, the Settlement Price will be:

(1) in respect of a Single Index Note or a Single Share Note, the arithmetic mean of the Relevant Prices of the Index or the Shares (as the case may be) on each Averaging Date;

(2) in respect of an Index Basket Note, the arithmetic mean of the amounts for the Basket of Indices determined by the relevant Calculation Agent in its sole and absolute discretion as provided in the relevant Pricing Supplement as of the relevant Valuation Time(s) on each Averaging Date or, if no means for determining the Settlement Price are so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the Relevant Prices of each Index comprised in the Basket (weighted or adjusted in relation to each Index as provided in the relevant Pricing Supplement); and

(3) in respect of a Share Basket Note, the arithmetic mean of the amounts for the Basket of Shares determined by the relevant Calculation Agent in its sole and absolute discretion as provided in the relevant Pricing Supplement as of the relevant Valuation Time(s) on each Averaging Date or, if no means for determining the Settlement Price is so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the Relevant Prices of each Share comprised in the Basket (weighted or adjusted in relation to each Share as provided in the relevant Pricing Supplement).

(iv) If an Averaging Date is a Disrupted Day, then if, in relation to "**Averaging Date Disruption**", the consequence specified in the relevant Pricing Supplement is:

(a) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for the purposes of determining the relevant Settlement Price **provided that**, if through the operation of this provision no Averaging Date would occur with respect to the relevant Valuation Date, then paragraph (i) "*Additional Terms for Equity Linked Notes –*

General – Valuation, Market Disruption and Averaging Dates" will apply for purposes of determining the relevant level, price or amount on the final Averaging Date in respect of that Valuation Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(b) "**Postponement**", then paragraph (i) "Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates" will apply for the purposes of determining the relevant level, price or amount 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 for the relevant Notes; or

(c) "**Modified Postponement**", then:

(1) in the case of a Single Index Note or a Single Share Note, 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 last Scheduled Trading Day in the period of eight Scheduled Trading Days (or such other number of days specified in the relevant Pricing Supplement as the Maximum Number of Disrupted Days) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in relation to the relevant Scheduled Valuation Date, then (A) such Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date), and (B) the relevant Calculation Agent shall determine, in its sole and absolute discretion, the relevant level or price for that Averaging Date in accordance with (x) in the case of a Single Index Note, paragraph (i)(a)(1) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*" and (y) in the case of a Single Share Note, paragraph (i)(a)(2) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*";

(2) in the case of an Index Basket Note or a Share Basket Note, the Averaging Date for each Index or Share (as the case may be) not affected by the occurrence of a Disrupted Day shall be the date specified in the relevant Pricing Supplement as an Averaging Date in relation to the relevant Valuation Date, and the Averaging Date for an Index or Share (as the case may be) affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or Share (as the case may be). If the first succeeding Valid Date in relation to such Index or Share (as the case may be) has not occurred as of the Valuation Time on the last Scheduled Trading Day in the period of eight Scheduled Trading Days (or such other number of days specified in the relevant Pricing Supplement as the Maximum Number of Disrupted Days) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in relation to the relevant Scheduled Valuation Date, then (A) such Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date) in relation to such Index or Share (as the case may be), and (B) the relevant Calculation Agent shall determine, in its sole and absolute discretion, the relevant level or amount for that Averaging Date in accordance with (x) in the case of an Index Basket Note, paragraph (i)(b) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*" and (y) in the case of a Share Basket Note, paragraph (i)(c) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*"; and

(3) "**Valid Date**" shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not, or is not deemed to, occur.

(v) If any Averaging Dates in relation to a Valuation Date occur after that Valuation Date as a result of the occurrence of a Disrupted Day, then: (a) the relevant Maturity Date or, as the case may be,

the relevant Physical Settlement Date; or (b) the occurrence of an Extraordinary Event, an Index Adjustment Event, a Potential Adjustment Event or an Additional Disruption Event shall be determined by reference to the last such Averaging Date as though it were that Valuation Date.

Adjustments to Indices

This provision "*Additional Terms for Equity Linked Notes – General –Adjustments to Indices*" is applicable only in relation to Notes specified in the relevant Pricing Supplement as being Single Index Notes or Index Basket Notes.

(i) *Successor Index*: If a relevant Index is: (a) not calculated and announced by the Index Sponsor, but is calculated and announced by a successor sponsor acceptable to the relevant Calculation Agent in its sole and absolute discretion; or (b) replaced by a Successor Index using, in the determination of the relevant Calculation Agent (such determination to be at such Calculation Agent's sole and absolute discretion), 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.

(ii) *Index Adjustment Events*: If (a) on or prior to any Averaging Dates in relation to a Valuation Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that 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 securities and capitalization and other routine events) (an "**Index Modification**") or permanently cancels the Index and no Successor Index exists (an "**Index Cancellation**"); or (b) on any Averaging Dates in relation to a Valuation Date the Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" (**provided that** the relevant Calculation Agent may, in its sole and absolute discretion, determine that, in respect of a Multi-Exchange Index, such failure to calculate and announce such Index shall instead be a Disrupted Day in respect of such Index), and together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then (1) in the case of an Index Modification or an Index Disruption, the relevant Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Notes and, if so, shall calculate in its sole and absolute discretion the relevant Settlement Price, Relevant Price or any other variable relevant to the redemption, settlement, payment or other terms of the relevant Notes as the relevant Calculation Agent determines, in its sole and absolute discretion, to be appropriate to account for the Index Modification or Index Disruption using, in lieu of a published level for that Index, the level for that Index as at that Averaging Date in relation to a Valuation Date as determined by the relevant Calculation Agent in its sole and absolute discretion in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event and (2) in the case of an Index Cancellation, the Issuer may, at any time thereafter and in its sole and absolute discretion, determine that the Notes shall be redeemed as of any later date. If the Issuer so determines that the Notes shall be redeemed, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of, in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the relevant Calculation Agent in its sole and absolute discretion (**provided that** such day is not more than fifteen days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realized by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the relevant Calculation Agent in its sole and absolute discretion. If the Issuer determines that the relevant Notes shall continue, the relevant Calculation Agent may make such adjustment as the relevant Calculation Agent, in its sole and absolute discretion, considers appropriate, if any, to the formula for the Interest Amount, Final Redemption Amount and/or the Settlement Price set out in the relevant Pricing Supplement and, in any case, any other variable relevant to the redemption, settlement or payment terms of the relevant Notes and/or any other adjustment, which change or adjustment shall be effective on such date as the such Calculation Agent shall determine.

(iii) *Correction of Index Levels*: If the level of an Index published by the Index Sponsor and which is utilized by the relevant Calculation Agent for any calculation or determination (the "**Original Determination**") under the Notes is subsequently corrected and the correction (the "**Corrected**

Value") is published by the Index Sponsor by such time as may be specified in the relevant Pricing Supplement (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the Maturity Date), then the relevant Calculation Agent will notify the Issuer and either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the relevant Calculation Agent may adjust any relevant terms of the Notes accordingly.

(iv) *Notice*: Upon the occurrence of an Index Adjustment Event, the relevant Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with "*Notices*" giving details of the action proposed to be taken in relation thereto.

Adjustments affecting Shares

This provision "*Additional Terms for Equity Linked Notes – General – Adjustment affecting Shares*" is applicable only in relation to Single Share Notes and Share Basket Notes.

(i) *Adjustments for Potential Adjustment Events*: Following the declaration by the Share Issuer of the terms of a Potential Adjustment Event, the relevant 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, will: (a) make such adjustment as it in its sole and absolute discretion considers appropriate, if any, to the formula for the Interest Amount, Final Redemption Amount and/or the Settlement Price set out in the relevant Pricing Supplement, the number of Shares to which each Note relates, the number or weighting of Shares comprised in a Basket of Shares, the amount, the number of or type of shares or other securities which may be delivered in respect of such Notes and/or any other adjustment and, in any case, any other variable relevant to the exercise, settlement, payment or other terms of the relevant Notes as the relevant Calculation Agent determines, in its sole and absolute discretion, to be appropriate to account for that diluting or concentrative effect; and (b) determine, in its sole and absolute discretion, the effective date(s) of such adjustment(s).

(ii) *Correction of Share Prices*: If any price published on the Exchange and which is utilized by the relevant Calculation Agent for any calculation or determination (the "**Original Determination**") under the Notes is subsequently corrected and the correction (the "**Corrected Value**") is published by the Exchange by such time as may be specified in the relevant Pricing Supplement (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the Maturity Date), then the relevant Calculation Agent will notify the Issuer and either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the relevant Calculation Agent may adjust any relevant terms accordingly.

Extraordinary Events

This provision "*Additional Terms for Equity Linked Notes – General – Extraordinary Events*" is applicable only in relation to Notes specified in the relevant Pricing Supplement as being Single Share Notes or Share Basket Notes.

(i) Merger Event or Tender Offer:

(a) Following the occurrence of any Merger Event or Tender Offer, the Issuer will, in its sole and absolute discretion, determine whether the relevant Notes shall continue or shall be redeemed early.

(b) If the Issuer determines that the relevant Notes shall continue, the relevant Calculation Agent may make such adjustment as such Calculation Agent, in its sole and absolute discretion, considers appropriate, if any, to the formula for the Interest Amount, Final Redemption Amount and/or the Settlement Price set out in the relevant Pricing

Supplement, the number or weighting of Shares to which each Note relates, the number of Shares comprised in a Basket of Shares (as the case may be), the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment (including, without limitation, in relation to Share Basket Notes, the cancellation of terms applicable in respect of the underlying Shares affected by the relevant Merger Event or Tender Offer), which change or adjustment shall be effective on such date as the relevant Calculation Agent shall determine. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes.

(c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of the Merger Event Settlement Amount (in the case of a Merger Event) or Tender Offer Settlement Amount (in the case of a Tender Offer).

(d) For the purposes hereof:

"**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 relevant Calculation Agent, in its sole and absolute discretion;

"**Merger Event**" means, in respect of any relevant Shares and as determined by the relevant Calculation Agent, any: (1) 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, (2) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (3) 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 Issuer 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 (4) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share Issuer 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 (a "**Reverse Merger**"), in each case if the Merger Date is on or before, (x) if Physical Settlement is specified in the relevant Pricing Supplement as applying in relation to any Note, the later to occur of the Maturity Date and the Physical Settlement Date or, (y) in any other case, the final Valuation Date.

"**Merger Event Settlement Amount**" means in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the relevant Calculation Agent in its sole and absolute discretion (**provided that** such day is not more than fifteen days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realized by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the relevant Calculation Agent in its sole and absolute discretion.

"**Tender Offer**" means, in respect of any Shares and as determined by the relevant Calculation Agent, 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 Issuer, as determined by the relevant Calculation Agent, based upon the making of filings

with governmental or self-regulatory agencies or such other information as such 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 relevant Calculation Agent in its sole and absolute discretion.

"**Tender Offer Settlement Amount**" means, in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the relevant Calculation Agent in its sole and absolute discretion (**provided that** such day is not more than fifteen days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realized by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by such Calculation Agent in its sole and absolute discretion.

(ii) Nationalization, Insolvency and Delisting:

(a) If in the determination of the relevant Calculation Agent:

(1) all the Shares or all or substantially all the assets of a Share Issuer, are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof ("**Nationalization**"); or

(2) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of, or any analogous proceeding affecting, a Share Issuer (1) all the Shares of that Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares of that Share Issuer become legally prohibited from transferring them ("**Insolvency**"); or

(3) the Exchange announces that pursuant to the rules of such Exchange the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or 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 any Member State) ("**Delisting**"),

then the Issuer will, in its sole and absolute discretion, determine whether or not the Notes shall continue.

(b) If the Issuer determines that the relevant Notes shall continue, the relevant Calculation Agent may make such adjustment as such Calculation Agent, in its sole and absolute discretion, considers appropriate, if any, to the formula for the Interest Amount, Final Redemption Amount and/or the Settlement Price set out in the relevant Pricing Supplement, the number or weighting of Shares to which each Note relates, the number of Shares comprised in a Basket of Shares, the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement or payment terms of the relevant Notes and/or any other adjustment (including, without limitation, in relation to Share Basket Notes, the removal from the Basket of Shares of the Shares affected by the relevant Nationalization, Insolvency or Delisting with effect from the day selected by the relevant Calculation Agent, and the adjustment of such terms of the Notes as such Calculation Agent considers to be appropriate as a result of such removal), which change or adjustment shall be effective on such date as such Calculation Agent shall determine. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes.

(c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes. The Issuer's obligations under the Notes shall be satisfied in full upon payment of, in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by

the relevant Calculation Agent in its sole and absolute discretion (**provided that** such day is not more than fifteen days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realized by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by such Calculation Agent in its sole and absolute discretion.

Additional Disruption Events

(i) Following the occurrence of an Additional Disruption Event, the Issuer will, in its sole and absolute discretion, determine whether or not the relevant Notes shall continue or be redeemed early.

(ii) If the Issuer determines that the relevant Notes shall continue, the relevant Calculation Agent may make such adjustment as such Calculation Agent, in its sole and absolute discretion, considers appropriate, if any, to the formula for the Interest Amount, Final Redemption Amount and/or the Settlement Price set out in the relevant Pricing Supplement, the number or weighting of Shares to which each Note relates, the number of Shares comprised in a Basket, the amount, the number of or type of shares or other securities or assets which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment (including without limitation, in relation to Share Basket Notes or Index Basket Notes, the removal of any Shares or Index, as the case may be, affected by the relevant Additional Disruption Event, and the adjustment of such terms of the Notes as such Calculation Agent considers to be appropriate as a result of such removal), (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes) which change or adjustment shall be effective on such date as such Calculation Agent shall determine.

(iii) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to the fair market value of such Note, on such day as is selected by the relevant Calculation Agent in its sole and absolute discretion (**provided that** such day is not more than fifteen days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realized by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by such Calculation Agent in its sole and absolute discretion.

(iv) The Issuer shall as soon as reasonably practicable under the circumstances notify either the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) and the relevant Calculation Agent of the occurrence of an Additional Disruption Event.

(v) For the purposes hereof:

"**Additional Disruption Event**" means with respect to any Series of Notes (unless otherwise specified in the relevant Pricing Supplement) a Change in Law, Hedging Disruption, Increased Cost of Hedging, Loss of Stock Borrow and Increased Cost of Stock Borrow, and any further event or events as may be specified in the relevant Pricing Supplement as an Additional Disruption Event with respect to such Notes.

Knock-In Event and Knock-Out Event

(i) Where the relevant Pricing Supplement specifies that either "Knock-In Event" or "Knock-Out Event" shall apply, then the provisions set out in this "*Additional Terms for Equity Linked Notes – General – Knock-In Event and Knock-Out Event*" shall apply, and:

(a) if a "Knock-In Event" is specified in the relevant Pricing Supplement, then, unless otherwise specified in such Pricing Supplement, the payment and/or delivery provisions under the Notes which are expressed to be subject to a Knock-In Event shall be conditional upon the occurrence of such Knock-In Event.

(b) if a "Knock-Out Event" is specified in the relevant Pricing Supplement, then, unless otherwise specified in such Pricing Supplement, the payment and/or delivery provisions under the Notes which are expressed to be subject to a Knock-Out Event shall be conditional upon the occurrence of such Knock-Out Event.

(ii) If the Knock-In Valuation Time or the Knock-Out Valuation Time specified in the relevant Pricing Supplement is the Valuation Time and if on any Knock-In Determination Day or Knock-Out Determination Day, at any time during the one hour period that begins or ends at the Valuation Time, a Knock-In Event or a Knock-Out Event would otherwise have occurred and a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists, then the Knock-In Event or the Knock-Out Event shall (unless otherwise specified in the relevant Pricing Supplement) be deemed not to have occurred; **provided that** if, by operation of this provision, no Knock-In Determination Day or Knock-Out Determination Day would occur in the Knock-In Determination Period or Knock-Out Determination Period, the Knock-In Period Ending Date or Knock-Out Period Ending Date shall be treated as a Valuation Date and the relevant Calculation Agent shall determine the level or price, as applicable, of each affected Index or Share, as applicable, as at the Knock-In Valuation Time or Knock-Out Valuation Time in accordance with paragraph (a) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*".

(iii) If the Knock-In Valuation Time or the Knock-Out Valuation Time specified in the relevant Pricing Supplement is any time or period of time other than the Valuation Time during the regular trading hours on the relevant Exchange and if on any Knock-In Determination Day or Knock-Out Determination Day, at any time during the one hour period that begins or ends at the time at which the Reference Level triggers the Knock-In Level or Knock-Out Level, a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists, then the Knock-In Event or the Knock-Out Event shall (unless otherwise specified in the relevant Pricing Supplement) be deemed not to have occurred; **provided that** if, by operation of this provision, no Knock-In Determination Day or Knock-Out Determination Day would occur in the Knock-In Determination Period or Knock-Out Determination Period, the Knock-In Period Ending Date or Knock-Out Period Ending Date shall be treated as a Valuation Date and the relevant Calculation Agent shall determine the level or price, as applicable, of each affected Index or Share, as applicable, as at the Knock-In Valuation Time or Knock-Out Valuation Time in accordance with paragraph (a) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*".

Share Substitution

If "Share Substitution" is specified as applicable in the relevant Pricing Supplement, then on or after the relevant Merger Date, Delisting, Nationalization, Insolvency, Tender Offer Date or Potential Adjustment Event, as the case may be, the relevant Calculation Agent may adjust the General Conditions and/or the relevant Pricing Supplement to include shares (the "**Substitute Shares**") selected by such Calculation Agent (such selection to be made in accordance with the criteria for share selection, if any, set out in the relevant Pricing Supplement, or if no criteria are so specified, selected from the same region(s) or sector(s) (if the Affected Shares were selected on the basis of region or sector) and, if the Affected Shares are quoted on an exchange or quotation system, quoted on an exchange or quotation system in the same region and with similar liquidity as the exchange or quotation system on which the Affected Shares are quoted, all as determined by such Calculation Agent), in place of the Share(s) (for the purposes of "*Additional Terms for Equity Linked Notes – General – Share Substitution*", the "**Affected Share(s)**") which are affected by such Merger Event, Delisting, Nationalization, Insolvency, Tender Offer or Potential Adjustment Event with effect from such date as such Calculation Agent determines. The Substitute Shares and the relevant issuer of such shares will, from the date so determined by such Calculation Agent, be deemed to be "Shares" and a "Share Issuer", respectively, for the purposes of the Notes. The relevant Calculation Agent may make such adjustment as such Calculation Agent, in its sole and absolute discretion, considers appropriate, if any, to the formula for the Interest Amount, Final Redemption Amount and/or the Settlement Price set out in the relevant Pricing Supplement, the number of Shares to which each Note relates, the number of Shares comprised in a Basket, the amount, the number of or type of shares or other securities or assets which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment, which change or adjustment shall be effective on such date as the relevant Calculation Agent shall determine.

Autocall Early Redemption

In respect of any Series of Notes for which the "Autocallable Early Redemption" provisions are specified as applicable in the relevant Pricing Supplement, the Notes shall be redeemed in whole but not in part at the Autocall Early Redemption Amount on the Autocall Early Redemption Date, and the Conditions shall be supplemented and modified by the terms and conditions set out in the relevant Pricing Supplement.

Definitions applicable to Equity Linked Notes

In "*Additional Terms for Equity Linked Notes*", unless otherwise specified in the relevant Pricing Supplement:

"**Autocall Early Redemption Amount**" means the amount determined in accordance with the relevant Pricing Supplement;

"**Autocall Early Redemption Date**" means the date determined in accordance with the relevant Pricing Supplement;

"**Basket**" means in relation to any Share Basket Notes, the Shares specified in the relevant Pricing Supplement as comprising the Basket and in relation to Index Basket Notes, the Indices specified in the relevant Pricing Supplement as comprising the Basket and in each case in the relative proportions specified in such Pricing Supplement;

"**Basket of Indices**" means, in relation to a particular Series, a basket comprising the Indices specified in the relevant Pricing Supplement in the relative proportions specified in such Pricing Supplement;

"**Basket of Shares**" means, in relation to a particular Series, a basket comprising Shares of each Share Issuer specified in the relevant Pricing Supplement in the relative proportions, weighting or number of Shares of each Share Issuer specified in such Pricing Supplement;

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) 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 determines that (1), in the case of Single Share Notes, Single Index Notes, Share Basket Notes or Index Basket Notes it has become illegal to hold, acquire or dispose of any relevant Shares or of any financial instrument or contract providing exposure to the Shares or Index or Indices (as the case may be), or (2) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"**Components**" means in relation to an Index, the securities which comprise such Index (each a "**Component**" for such Index);

"**Disrupted Day**" means (A) except with respect to a Multi-Exchange 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, and (B) with respect to any Multi-Exchange Index, any Scheduled Trading Day on which (1) the Index Sponsor fails to publish the level of the Index (**provided that** the relevant Calculation Agent may, in its sole and absolute discretion, determine that such failure to publish shall instead be an Index Disruption for such Index); (2) the Related Exchange fails to open for trading during its regular trading session or (3) a Market Disruption Event has occurred;

"**Early Closure**" means (A) except with respect to a Multi-Exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of a Single Index Note or Index Basket Note, 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 (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) 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 and (B) with respect to any Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component 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: (1) 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; and (2) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day;

"**Exchange**" means:

(i) (a) in respect of an Index relating to Single Index Notes or Index Basket Notes other than a Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the relevant Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Index, as determined by the relevant Calculation Agent, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index has temporarily relocated, **provided that** such Calculation Agent has determined that there is comparable liquidity relative to the shares underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange, and (b) with respect to any Multi-Exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by such Calculation Agent; and

(ii) in respect of a Share relating to Single Share Notes or Share Basket Notes, each exchange or quotation system specified as such for such Share in the relevant Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Share, as determined by the relevant Calculation Agent, 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** such 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 (A) except with respect to a Multi-Exchange Index, any Scheduled Trading Day on which each Exchange and 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 (B) with respect to any Multi-Exchange Index, any Scheduled Trading Day on which (1) the Index Sponsor publishes the level of the Index and (2) the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time;

"**Exchange Disruption**" means (A) except with respect to a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the relevant Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Shares on the Exchange (or in the case of Single Index Notes or Index Basket Notes, on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index), or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares, the relevant Index (as the case may be) on any relevant Related Exchange and (B) with respect to any Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the relevant Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for, (1) any Component on the Exchange in respect of such Component, or (2) futures or options contracts relating to the Index on the Related Exchange;

"**Extraordinary Dividend**" means the dividend per Share or portion thereof, to be characterized as an Extraordinary Dividend as determined by the relevant Calculation Agent;

"**Extraordinary Event**" means a Merger Event, Tender Offer, Nationalization, Insolvency or Delisting;

"**Hedging Disruption**" means that a Hedging Party is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Issuer's risk of entering into and performing its obligations with respect to the Notes, or (B) realize, recover or remit the proceeds of any such transactions or asset(s);

"**Hedging Party**" means the Issuer or any of its affiliates of the Issuer engaged in any underlying or hedging transactions relating to the Notes or in respect of the Issuer's obligations under the Notes;

"**Increased Cost of Hedging**" means that a Hedging Party 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 (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Issuer's risk of entering into and performing its obligations with respect to the Notes or (B) realize, 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 shall not be deemed an Increased Cost of Hedging;

"**Increased Cost of Stock Borrow**" means that the Hedging Party would incur a rate to borrow the Shares or of any financial instrument or contract providing exposure to the Shares or Index or Indices with respect to the Notes that is greater than the Initial Stock Loan Rate;

"**Index**" means any index specified as such in the relevant Pricing Supplement, subject to "*Additional Terms for Equity Linked Notes – General – Adjustments to Indices*";

"**Index Sponsor**" means, in respect of an Index, the corporation or other entity that (A) is responsible for setting and reviewing the rules and procedures and methods of calculation and adjustments, if any, related to the relevant Index and (B) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day;

"**Initial Stock Loan Rate**" means the stock loan rate specified as such in the relevant Pricing Supplement;

"**Knock-In Determination Day**" means the date(s) specified as such in the relevant Pricing Supplement or, if not so specified, each Scheduled Trading Day during the Knock-In Determination Period;

"**Knock-In Determination Period**" means the period which commences on, and includes, the Knock-In Period Beginning Date and ends on, and includes, the Knock-In Period Ending Date;

"**Knock-In Event**" means the Reference Level determined by the relevant Calculation Agent as of the Knock-In Valuation Time on any Knock-In Determination Day is:

(i) "greater than", "greater than or equal to", "less than", or "less than or equal to" the Knock-In Level; or

(ii) "within" the Knock-In Range,

in each case as specified in the relevant Pricing Supplement;

"**Knock-In Level**" means the level, price or amount specified as such or otherwise determined in the relevant Pricing Supplement, subject to adjustment from time to time in accordance with the provisions of "*Additional Terms for Equity Linked Notes*";

"**Knock-In Period Beginning Date**" means the date specified as such in the relevant Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

"**Knock-In Period Ending Date**" means the date specified as such in the relevant Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

"**Knock-In Range**" means the range of levels, prices, amounts, numbers or percentages specified as such or otherwise determined in the relevant Pricing Supplement, subject to adjustment from time to time in accordance with the provisions of "*Additional Terms for Equity Linked Notes*";

"**Knock-In Valuation Time**" means the time or period of time on any Knock-In Determination Day specified as such in the relevant Pricing Supplement (or, if not specified in the relevant Pricing Supplement, the Valuation Time) and for the purposes of paragraph (a) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*" each such time shall be treated as a Valuation Time;

"**Knock-Out Determination Day**" means the date(s) specified as such in the relevant Pricing Supplement or, if not so specified, each Scheduled Trading Day during the Knock-Out Determination Period;

"**Knock-Out Determination Period**" means the period which commences on, and includes, the Knock-Out Period Beginning Date and ends on, and includes, the Knock-Out Period Ending Date;

"**Knock-Out Event**" means the Reference Level determined by the relevant Calculation Agent as of the Knock-Out Valuation Time on any Knock-Out Determination Day is:

(i) "greater than", "greater than or equal to", "less than", or "less than or equal to" the Knock-Out Level; or

(ii) "within" the Knock-Out Range,

in each case as specified in the relevant Pricing Supplement;

"**Knock-Out Level**" means the level, price or amount specified as such or otherwise determined in the relevant Pricing Supplement, subject to adjustment from time to time in accordance with the provisions of "*Additional Terms for Equity Linked Notes*";

"**Knock-Out Period Beginning Date**" means the date specified as such in the relevant Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

"**Knock-Out Period Ending Date**" means the date specified as such in the relevant Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

"**Knock-Out Range**" means the range of levels, prices, amounts, numbers or percentages specified as such or otherwise determined in the relevant Pricing Supplement, subject to adjustment from time to time in accordance with the provisions of "*Additional Terms for Equity Linked Notes*";

"**Knock-Out Valuation Time**" means the time or period of time on any Knock-Out Determination Day specified as such in the relevant Pricing Supplement (or, if not specified in the relevant Pricing Supplement, the Valuation Time) and for the purposes of paragraph (a) "*Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates*" each such time shall be treated as a Valuation Time;

"**Loss of Stock Borrow**" means that a Hedging Party is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) the Shares or of any financial instrument or contract providing exposure to the Shares or Index or Indices with respect to the Notes in an amount which the Issuer deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes (not to exceed the number of the Shares or financial instruments or contracts underlying the Notes) at a rate equal to or less than the Maximum Stock Loan Rate;

"**Market Disruption Event**" means (a) in respect of a Share, an Index other than a Multi-Exchange Index or the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the relevant 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 purpose of determining whether a Market Disruption Event exists in respect of an Index at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that 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 security and (y) the overall level of the Index, in each case immediately before the Market Disruption Event occurred; and (b) with respect to any Multi-Exchange Index either (i)(A) the occurrence or existence, in respect of any Component, of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the relevant 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 is principally traded, or (3) an Early Closure; and (B) the aggregate of all Components 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 relevant Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Related Exchange; or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component at any time, if a Market Disruption Event occurs in respect of such Component at that time, then the relevant percentage contribution of that Component 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 to (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";

"**Maximum Stock Loan Rate**" means the stock loan rate specified as such in the relevant Pricing Supplement;

"**Multi-Exchange Index**" means any Index specified as such in the relevant Pricing Supplement;

"**Observation Date**" has the meaning given in the relevant Pricing Supplement;

"**Observation Period**" has the meaning given in the relevant Pricing Supplement;

"**Potential Adjustment Event**" means, in respect of Single Share Notes or Share Basket Notes:

(i) a subdivision, consolidation or reclassification of a Share (unless resulting in a Merger Event), or a free distribution or dividend of Shares or to existing holders by way of bonus, capitalization or similar issue;

(ii) a distribution, issue or dividend to existing holders of 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 Issuer equally or proportionately with such payments to holders of such a Share, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer 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 (cash or other consideration) at less than the prevailing market price as determined by the relevant Calculation Agent;

(iii) an Extraordinary Dividend;

(iv) a call by the Share Issuer in respect of relevant Shares that are not fully paid;

(v) a repurchase by a Share Issuer (as the case may be) or any of its subsidiaries of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) in respect of a Share Issuer, 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 the Share Issuer 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 relevant 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 relevant Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares;

"**Reference Level**" means the level, price or amount specified as such or otherwise determined in the relevant Pricing Supplement, subject to adjustment from time to time in accordance with the provisions of "*Additional Terms for Equity Linked Notes*";

"**Related Exchange**", in respect of an Index relating to Single Index Notes or Index Basket Notes, a Share relating to Single Share Notes or Share Basket Notes, means the exchange specified as the relevant Exchange in the relevant Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Index, Share has temporarily relocated (**provided that** the relevant Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index, Share on such temporary substitute exchange or quotation system as on the original Related Exchange) or, if none is specified, each exchange or quotation system where trading has a material effect (as determined by the relevant Calculation Agent) on the overall market for futures or options contracts relating to such Index, Share, as the case may be;

"**Relevant Price**" on any day means:

(i) in respect of an Index to which a Single Index Note or an Index Basket Note relates, the level of such Index determined by the relevant Calculation Agent as provided in the relevant Pricing

Supplement as of the Valuation Time on the relevant day or, if no method for determining the Relevant Price is so provided, the level of the Index as of the Valuation Time on the relevant day; and

(ii) in respect of a Share to which a Single Share Note or a Share Basket Note relates, the price per Share determined by the relevant Calculation Agent in the manner provided in the relevant Pricing Supplement as of the Valuation Time on the relevant day, or, if no means for determining the Relevant Price are so provided: (A) in respect of any Share for which the Exchange is an auction or "open outcry" exchange that has a price as of the Valuation Time at which any trade can be submitted for execution, the Relevant Price shall be the price per Share as of the Valuation Time on the relevant day, as reported in the official real time price dissemination mechanism for such Exchange; and (B) in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Relevant Price shall be the mid point of the highest bid and lowest ask prices quoted as of the Valuation Time on the relevant day (or the last such prices quoted immediately before the Valuation Time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system;

"**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 regular trading session hours;

"**Scheduled Trading Day**" means (a) except with respect to a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session, and (b) with respect to 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 is scheduled to be open for trading for its regular trading session;

"**Settlement Cycle**" means, in respect of a Share or Index, the period of Clearance System Business Days following a trade in such Share or the securities underlying such Index as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such exchange (or, in respect of any Multi-Exchange Index, the longest such period) and for this purpose "**Clearance System Business Day**" means, in relation to a clearing system any day on which such clearing system is (or but for the occurrence of a Settlement Disruption Event would have been) open for acceptance and executions of settlement instructions;

"**Settlement Disruption Event**" means, as determined by the relevant Calculation Agent, an event which is beyond the control of the Issuer or the transferor of any relevant securities and as a result of which the Clearing System cannot receive or clear the transfer of such securities;

"**Settlement Price**" means the price, level or amount determined by the relevant Calculation Agent as provided in the relevant Pricing Supplement as of the Valuation Time on the Valuation Date or, if no means for determining the Settlement Price are so provided:

(i) in respect of a Single Share Note, (A) in respect of any Share for which the Exchange is an auction or "open outcry" exchange that has a price as of the Valuation Time at which any trade can be submitted for execution, the Settlement Price shall be the price per Share as of the Valuation Time on the Valuation Date as reported in the official real-time price dissemination mechanism for such Exchange; and (B) in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Settlement Price shall be the mid-point of the highest bid and lowest ask prices quoted as of the Valuation Time on the Valuation Date (or the last such prices quoted immediately before the Valuation Time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system;

(ii) in respect of a Share Basket Note, an amount for the Basket equal to the sum of the values of each Share comprised in the Basket (weighted or adjusted in relation to each Share as provided in the relevant Pricing Supplement);

(iii) in respect of a Single Index Note, the level of the Index as of the Valuation Time on the Valuation Date; or

(iv) in respect of an Index Basket Note, an amount for the Basket equal to the sum of the Relevant Prices (weighted or adjusted in relation to each Index as provided in the relevant Pricing Supplement) for the Indices comprised in the Basket,

or in each case, if applicable, in accordance with paragraph (c) "Additional Terms for Equity Linked Notes – General – Valuation, Market Disruption and Averaging Dates";

"**Share**" means, in relation to a particular Series of Notes, a share specified as such in the relevant Pricing Supplement, or, in the case of a Share Basket Note, a share forming part of a basket of shares to which such Note relates;

"**Share Issuer**" means the entity that is the issuer of the Share specified in the relevant Pricing Supplement;

"**Trade Date**" means the date specified as such in the relevant Pricing Supplement;

"**Trading Disruption**" means (a) except with respect to a Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange, Related Exchange or otherwise (i) relating to the Share on the Exchange, or, in the case of a Single Index Note or Index Basket Note, on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or (ii) in futures or options contracts relating to the Share, the relevant Index or Indices on any relevant Related Exchange, and (b) with respect to any Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (1) relating to any Component on the Exchange in respect of such Component; or (2) in futures or options contracts relating to the Index on the Related Exchange; and

"**Valuation Time**" means the time specified as such in the relevant Pricing Supplement, or if no such time is specified, (a) save with respect to a Multi-Exchange Index, the Scheduled Closing Time on the relevant Exchange in relation to each Index, 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; and (b) with respect to any Multi-Exchange Index, (i) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component and (y) in respect of any option 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.

Interpretation

In this "Description of the Notes":

(i) if the Notes are Zero Coupon Notes or are Registered Notes, references to Coupons and Couponholders are not applicable;

(ii) if Talons are specified in the relevant Pricing Supplement as being attached to the Bearer Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(iii) if Talons are not specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Talons are not applicable;

(iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under "*Taxation*", any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to the Indenture;

(v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under "– *Taxation*" and any other amount in the nature of interest payable pursuant to the Indenture;

(vi) references to Notes being "outstanding" shall be construed in accordance with the Indenture;

(vii) if an expression is stated in "– *Certain Definitions*" to have the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes;

(viii) any reference to the relevant Pricing Supplement shall be deemed to be a reference to a Drawdown Information Memorandum (as the case may be and as the context may require); and

(ix) any reference to the Indenture shall be construed as a reference to the Indenture, as amended and/or supplemented up to and including the Issue Date of the Notes.

For the purposes of any calculations referred to in the Indenture (unless otherwise specified in this "*Description of the Notes*" or the relevant Pricing Supplement), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all U.S. dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

Certain Definitions

Set forth below are definitions for certain terms used in relation to the Notes:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org).

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org).

"**Accelerated or Matured**" means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws.

"**Accrual Yield**" has the meaning given in the relevant Pricing Supplement.

"**Additional Business Center(s)**" means the city or cities specified as such in the relevant Pricing Supplement.

"**Additional Credit Event**" means an additional credit event as defined in the relevant Pricing Supplement.

"**Additional Credit-Linked Note Disruption Event**" means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified as applying in the relevant Pricing Supplement.

"**Additional Financial Center(s)**" means the city or cities specified as such in the relevant Pricing Supplement.

"**Additional LPN**" means any LPN issued by an LPN Issuer, for the sole purpose of providing funds for the LPN Issuer to provide financing to the Reference Entity via:

(i) an Underlying Loan; or

(ii) an Underlying Finance Instrument,

provided that:

(a) either:

(1) 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

(2) 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;

(b) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency – Standard Specified Currency, Not Domestic Law, Not Domestic Issuance; and

(c) 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 holders of the LPNs.

"**Additional Obligation**" means each of the obligations listed as an Additional Obligation of the Reference Entity in the relevant Pricing Supplement or in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at http://www.markit.com/marketing/services.php.

"**Additional Provisions**" means any additional provisions from time to time published by ISDA for use in the over-the-counter credit derivatives market and specified as applicable in the relevant Pricing Supplement in relation to a Reference Entity (including, without limitation, as a result of being specified as applicable for the relevant Transaction Type in the Physical Settlement Matrix) which may include:

(i) the 2019 Narrowly Tailored Credit Event Supplement to the 2014 ISDA Credit Derivatives Definitions as published by ISDA on 15 July 2019; or

(ii) any other provisions specified in relation to such Reference Entity.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "**control**", when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing.

"**Agents**" means the Principal Paying Agent, the ICSD Registrar, the ICSD Transfer Agents, the CMU Lodging and Paying Agent, the CMU Registrar, the CMU Transfer Agents, the CMU U.S. Withholding Tax Administration Agent, any relevant Calculation Agent and any other Paying Agent appointed in respect of the Notes, and any reference to an "**Agent**" is to any one of them. For the avoidance of doubt, any reference to "**relevant Agents**": (i) in the context of Notes other than CMU Notes, means the Principal Paying Agent, the ICSD Registrar, any ICSD Transfer Agent and any relevant Calculation Agent and other Paying Agent appointed in respect of Notes other than CMU Notes and "**relevant Agent**" in the context of Notes other than CMU Notes means any one of them; and (ii) in the context of CMU Notes, means the CMU Lodging and Paying Agent, the CMU Registrar, any CMU Transfer Agent, the CMU U.S. Withholding Tax Administration Agent and any relevant Calculation Agent and other Paying Agent appointed in respect of CMU Notes only, and "**relevant Agent**" in the context of CMU Notes means any one of them.

"**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 realized or capable of being realized in circumstances where the right and/or other asset no longer exists).

"**Asset Market Value**" means the market value of an Asset, as the relevant Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology

determined by the Credit Derivatives Determinations Committee or in any other commercially reasonable manner selected by the relevant Calculation Agent.

"**Asset Package**" means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Noteholder 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 Noteholder 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 Noteholder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

"**Asset Package Credit Event**" means:

(i) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the relevant Pricing Supplement:

  (a) a Governmental Intervention; or

  (b) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in the relevant Pricing Supplement and such Restructuring does not constitute a Governmental Intervention; and

(ii) if the Reference Entity is a Sovereign and "Restructuring" is specified in the relevant Pricing Supplement as being applicable, 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 Transfer Notice**" means, in respect of a Credit Linked Note to which Physical Settlement applies, a notice (in a form acceptable to the Issuer) from the holder of such Credit Linked Note relating to the Delivery of the relevant Entitlement, which notice must be delivered to the applicable entities in accordance with the requirements described in, and must include the information set out in paragraphs (a)(ii)(A) to (G) of "*—Additional Terms for Credit Linked Notes—Physical Settlement—Delivery*".

"**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 organization) that are not then a lender or a member of the relevant lending syndicate, without the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent.

"**Auction**" has the meaning set forth in the relevant Transaction Auction Settlement Terms.

"**Auction Cancellation Date**" has the meaning set forth in the Transaction Auction Settlement Terms.

"**Auction Covered Transaction**" has the meaning set forth in the Transaction Auction Settlement Terms.

"**Auction Final Price**" has the meaning set forth in the Transaction Auction Settlement Terms or, with respect to an M(M)R Restructuring for which the Issuer has exercised the Movement Option in the manner described in "*—Additional Terms for Credit Linked Notes—Redemption—Redemption following Satisfaction of Conditions to Settlement*", the Parallel Auction Settlement Terms selected by the Issuer pursuant to its exercise of the Movement Option.

"**Auction Final Price Determination Date**" has the meaning set forth in the Transaction Auction Settlement Terms.

"**Auction Settlement Amount**" means, in relation to any Reference Entity and unless otherwise specified in the relevant Pricing Supplement, an amount in the Settlement Currency as determined by the relevant Calculation Agent in accordance with the formula below:

(i) in respect of CDS Spread Credit Linked Notes,

Auction Settlement Amount = Max (0, [(A – B) x C])

where:

"**A**" means 100 per cent.;

"**B**" means the relevant Auction Final Price; and

"**C**" means the Reference Entity Notional Amount with respect to such Reference Entity; or

(ii) otherwise,

Auction Settlement Amount = Max (0, [(A x B) – C])

where:

"**A**" means the aggregate outstanding principal amount of the Credit Linked Notes;

"**B**" means the relevant Auction Final Price; and

"**C**" means the Unwind Costs (unless the relevant Pricing Supplement specifies that Unwind Costs are not applicable, in which event "C" means zero).

"**Auction Settlement Date**" means:

(i) in respect of CDS Spread Credit Linked Notes, the third CLN Business Day following the Auction Final Price Determination Date; or

(ii) otherwise,

(a) (if the "Settlement Deferral" is not specified as applicable) the date that is:

(1) in the case of an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to sub-paragraphs (ii) or (iii)(B) of the definition of "No Auction Announcement Date", three CLN Business Days following the date on which the Issuer has exercised the Movement Option; and

(2) otherwise, three CLN Business Days following the Auction Final Price Determination Date; or

(b) (if the "Settlement Deferral" is specified as applicable) if later, the Scheduled Maturity Date (for the avoidance of doubt, this shall be without prejudice to the provisions described in "*—Additional Terms for Credit Linked Notes—Interest—Cessation of Interest Accrual*").

"**Bankruptcy**" means the Reference Entity:

(i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(ii) 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;

(iii) 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;

(iv) 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:

(a) 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

(b) is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days of the institution or presentation thereof;

(v) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(vi) 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;

(vii) 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

(viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-paragraphs (i) to (vii) above.

"**Basket CLN**" means Credit Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of a basket of Reference Entities (other than on an Nth-to-default basis), as specified in the relevant Pricing Supplement.

"**Basket CLN Early Redemption Amount**" means per Calculation Amount in respect of the relevant Credit Linked Note, an amount in the Specified Currency equal to:

Max (0, [[A – B] x C] x D)

where:

"**A**" means the aggregate outstanding principal amount of the Credit Linked Notes;

"**B**" means the Unwind Costs with respect to the redemption of the Credit Linked Notes;

"**C**" means a fraction equal to (x) the Specified Denomination of such Credit Linked Note divided by (y) the Aggregate Principal Amount; and

"**D**" means a fraction equal to (x) the Calculation Amount divided by (y) the Specified Denomination of such Credit Linked Note.

"**Basket CLN Early Termination Amount**" means per Calculation Amount in respect of the relevant Credit Linked Note, an amount in the Specified Currency equal to:

Max (0, [[A – B] x C] x D)

where:

"**A**" means the aggregate outstanding principal amount of the Credit Linked Notes;

"**B**" means the Unwind Costs with respect to the redemption of the Credit Linked Notes;

"**C**" means a fraction equal to (x) the Specified Denomination of such Credit Linked Note divided by (y) the Aggregate Principal Amount; and

"**D**" means a fraction equal to (x) the Calculation Amount divided by (y) the Specified Denomination of such Credit Linked Note.

"**Basket CLN Reference Entity Notional Amount**" means an amount in the Specified Currency equal to:

A x B

where:

"**A**" means the Aggregate Principal Amount; and

"**B**" means, with respect to a Reference Entity, the weighting (expressed as a decimal) assigned to such Reference Entity in the Reference Entity Index Annex appended to the relevant Pricing Supplement,

provided that, if a Credit Event occurs (and the Conditions to Settlement were satisfied) in respect of such Reference Entity on or prior to the Trade Date, the Reference Entity Notional Amount with respect to such Reference Entity shall be zero.

"**BBSW**" means, in respect of Australian dollars and any specified period, the interest rate benchmark known as the Bank Bill Swap Rate, which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the Australian Financial Markets Association (or any other person that takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities that are provided, in respect of each such currency, by a panel of contributor banks (details of historic BBSW rates can be obtained from the designated distributor).

"**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.

"**Bond or Loan**" means any obligation that is either a Bond or a Loan.

"**Borrowed Money**" means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

"**Broken Amount**" means, in respect of any Notes, the amount (if any) that is specified in the relevant Pricing Supplement.

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Center; and/or

(ii) in relation to any sum payable in Renminbi, a day (other than a Saturday or Sunday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or

(iii) in relation to any sum payable in a currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Center of the relevant currency and in each (if any) Additional Business Center; and/or

(iv) in respect of Notes for which the Reference Rate is specified as SOFR in the relevant Pricing Supplement, any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each (if any) Additional Business Center(s) and is not a date on which banking institutions in those cities are authorized or required by law or regulation to be closed.

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings

in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified 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;

(iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred, **provided**, **however**, **that**:

(a) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(b) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent**" means: (a) in respect of Notes other than CMU Notes, the ICSD Calculation Agent; or (b) in respect of CMU Notes, the CMU Calculation Agent. For the avoidance of doubt, references to the "**relevant Calculation Agent**" shall mean, in the context of Notes other than CMU Notes, the ICSD Calculation Agent or, in the context of CMU Notes, the CMU Calculation Agent.

"**Calculation Amount**" has the meaning given in the relevant Pricing Supplement.

"**Capped Reference Entity**" means, unless otherwise specified in the relevant Pricing Supplement, a Reference Entity in respect of which "60 Business Day Cap on Settlement" is specified as applicable in the relevant Pricing Supplement.

"**Cash Settlement Amount**" means, in relation to any Reference Entity and unless otherwise specified in the relevant Pricing Supplement, an amount in the Settlement Currency as determined by the relevant Calculation Agent in accordance with the formula below:

(i) in respect of CDS Spread Credit Linked Notes:

Cash Settlement Amount = Max (0, [(A - B) x C])

where:

"**A**" means 100 per cent.;

"**B**" means the relevant Weighted Average Final Price; and

"**C**" means the Reference Entity Notional Amount with respect to such Reference Entity; or

(ii) otherwise:

Cash Settlement Amount = Max (0, [(A x B) – C])

where:

"**A**" means the aggregate outstanding principal amount of the Credit Linked Notes;

"**B**" means the Weighted Average Final Price, or if so specified in the relevant Pricing Supplement, the Final Price; and

"**C**" means the Unwind Costs (unless the relevant Pricing Supplement specifies that Unwind Costs are not applicable, in which event "C" means zero).

"**Cash Settlement Date**" means:

(i) the date that is the number of CLN Business Days specified in the relevant Pricing Supplement (or, if a number of CLN Business Days is not specified, three CLN Business Days) immediately following the determination of the Weighted Average Final Price, or if so specified in the relevant Pricing Supplement, the Final Price; or

(ii) (if "Settlement Deferral" is specified as applicable) if later, the Scheduled Maturity Date. For the avoidance of doubt, this shall be without prejudice to the provisions described in "*—Additional Terms for Credit Linked Notes—Interest—Cessation of Interest Accrual*".

"**CDS Spread Credit Linked Note**" means any CDS spread credit-linked Credit Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of the Long Reference Entity and sells credit protection to the Noteholders in respect of the Short Reference Entity.

"**CDS Spread Early Redemption Amount**" means per Calculation Amount, an amount in the Specified Currency equal to:

Max (0, [(A + B + C – D) x E])

where:

"**A**" means the Aggregate Principal Amount;

"**B**" means the gains (expressed as a positive number) or the losses (expressed as a negative number) that would be realized or incurred, as applicable, by the Issuer in connection with the termination, settlement, re-establishment or offset of any Hedge Transaction related to the Short Reference Entity;

"**C**" means the gains (expressed as a positive number) or the losses (expressed as a negative number) that would be realized or incurred, as applicable, by the Issuer in connection with the termination, settlement re-establishment or offset of any Hedge Transaction related to the Long Reference Entity;

"**D**" means the sum of the Unwind Costs with respect to the redemption of the Notes; and

"**E**" means a fraction equal to (x) the Calculation Amount divided by (y) the Aggregate Principal Amount.

"**CDS Spread Early Termination Amount**" means per Calculation Amount, an amount in the Specified Currency equal to:

Max (0, [(A + B + C – D) x E])

where:

"**A**" means the Specified Denomination of such Note.

"**B**" means the gains (expressed as a positive number) or the losses (expressed as a negative number) that would be realized or incurred, as applicable, by the Issuer in connection with the termination, settlement, re-establishment or offset of any Hedge Transaction related to the Short Reference Entity;

"**C**" means the gains (expressed as a positive number) or the losses (expressed as a negative number) that would be realized or incurred, as applicable, by the Issuer in connection with the termination, settlement re-establishment or offset of any Hedge Transaction related to the Long Reference Entity;

"**D**" means the sum of the Unwind Costs with respect to the redemption of the Notes; and

"**E**" means a fraction equal to (x) the Calculation Amount divided by (y) the Aggregate Principal Amount.

"**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.

"**Change in Law**" means that, on or after the Trade Date (as specified in the relevant Pricing Supplement): (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law, solvency or capital requirements), or (B) 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 or financial authority), or the combined effect thereof if occurring more than once, the Issuer determines in its sole and absolute discretion that:

(i) it is unable to perform its obligations in respect of the Credit Linked Notes or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Credit Linked Notes; or

(ii) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the Credit Linked Notes in issue or in holding, acquiring or disposing of any relevant hedge positions of the Credit Linked Notes.

"**Clearing System Business Day**" means a day on which each clearing system for which the Global Registered Note is being held is open for business.

"**CLN Business Day**" means (a)(i) 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 Pricing Supplement, and/or (ii) a TARGET Settlement Day (if "TARGET Settlement Day" is specified in the relevant Pricing Supplement), or (b) if a place or places or such terms are not so specified, (i) if the Credit Linked Notes are denominated in euro, a TARGET Settlement Day, or (ii) 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 currency of denomination of the Credit Linked Notes.

"**CLN Dealer**" means a dealer in obligations of the type of Obligation(s) for which quotations are to be obtained (as selected by the relevant Calculation Agent) and may include the relevant Calculation Agent or its Affiliate or a Noteholder or its Affiliate or as may otherwise be specified in the relevant Pricing Supplement.

"**CLN Maturity Date**" means either:

(i) the Scheduled Maturity Date; or

(ii) where the Issuer delivers an Extension Notice in relation to a Reference Entity to the relevant Calculation Agent and the Noteholders at or prior to 11:00 a.m. (London time) on the date falling two London Business Days prior to the Scheduled Maturity Date, either:

(a) the date falling two CLN Business Days after the expiry of the Notice Delivery Period (or, if later, after the latest date on which it would be possible for the relevant Calculation Agent to deliver a Credit Event Notice); or

(b) if a Credit Event Resolution Request Date has occurred on or prior to the expiry of the Notice Delivery Period in relation to a Reference Entity and unless otherwise elected by the Issuer by written notice to the relevant Calculation Agent and the Noteholders, the date falling 15 CLN Business Days following any date on which the Credit Derivatives Determinations Committee Resolves that the relevant event does not constitute a Credit Event, or Resolves not to make such determination.

"**CMU**" means the Central Moneymarkets Unit service operated by the HKMA.

"**CMU Calculation Agent**" means the party responsible in respect of CMU Notes for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Pricing Supplement which, subject to the appointment and acceptance of appointment pursuant to the Indenture, will be the CMU Lodging and Paying Agent **provided that** the CMU Lodging and Paying Agent will not act as CMU Calculation Agent in respect of any Credit Linked Notes or Equity Linked Notes (including, without limitation, Single Share Notes, Share Basket Notes, Single Index Notes and Index Basket Notes), unless otherwise agreed.

"**CMU Issue Position Report**" shall have the meaning specified in the CMU Rules.

"**CMU Lodging and Paying Agent**" means The Bank of New York Mellon, Hong Kong Branch as CMU lodging and paying agent in respect of CMU Notes and any successor or additional CMU lodging and paying agent appointed from time to time in accordance with the Indenture.

"**CMU Manual**" means the reference manual relating to the operation of the CMU issued by the HKMA to CMU Members, as amended from time to time.

"**CMU Member**" means any member of the CMU.

"**CMU Notes**" means Notes denominated in any lawful currency which the CMU accepts for settlement from time to time that are, or are intended to be, cleared through the CMU and in respect of which the relevant Pricing Supplement specifies "CMU Notes" as applicable.

"**CMU Registrar**" means The Bank of New York Mellon, Hong Kong Branch as registrar in respect of CMU Notes and any successor or additional registrars appointed from time to time in accordance with the Indenture.

"**CMU Rules**" means all requirements of the CMU for the time being applicable to a CMU Member and includes:

(i) all the obligations for the time being applicable to a CMU Member under or by virtue of its membership agreement with the CMU and the CMU Manual;

(ii) all the operating procedures as set out in the CMU Manual for the time being in force in so far as such procedures are applicable to a CMU Member; and

(iii) any directions for the time being in force and applicable to a CMU Member given by the HKMA through any operational circulars or pursuant to any provision of its membership agreement with the HKMA or the CMU Manual.

"**CMU Transfer Agents**" means The Bank of New York Mellon, Hong Kong Branch as a transfer agent in respect of CMU Notes, any successor and each additional transfer agent appointed from time to time in accordance with the Indenture.

"**CNH**" and "**CNY**" mean the lawful currency of the PRC.

"**CNH HIBOR**" means the Hong Kong Interbank Offered Rate for CNH.

"**CNY Issue Trade Date**" means the date specified as such in the relevant Pricing Supplement.

"**Conditionally Transferable Obligation**" means a Deliverable Obligation that is (or where the Deliverable Obligation is a Qualifying Policy, a Qualifying Policy in respect of which the relevant Insured Instrument 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, the guarantor or the insurer, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if the Reference Entity is guaranteeing or insuring 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".

"**Conditions to Settlement**" means, in relation to any Reference Entity:

(i) the occurrence of an Event Determination Date; and

(ii) where the applicable Settlement Method is Physical Settlement (or Physical Settlement is applicable as the Fallback Settlement Method), the delivery of the Notice of Physical Settlement on or following the occurrence of an Event Determination Date and that is effective on or prior to the NOPS Cut-off Date, to the extent that, unless otherwise elected by the Issuer by written notice to the relevant Calculation Agent and the Noteholders, such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a Valuation Date, a Delivery Date or the CLN Maturity Date, as applicable,

provided that the Conditions to Settlement shall not be satisfied with respect to any Nth-to-Default Credit Linked Note until an Event Determination Date has occurred with respect to the Nth Reference Entity.

"**Conforming Reference Obligation**" means a Reference Obligation which is a Deliverable Obligation determined in accordance with sub-paragraph (i) of the definition of "Deliverable Obligation".

"**Consent Required Loan**" means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if a Reference Entity is guaranteeing such Loan) or any agent.

"**Coupon Sheet**" means, in respect of a Bearer Note, a coupon sheet relating to the Note.

"**Credit Derivatives Auction Settlement Terms**" means any Credit Derivatives Auction Settlement Terms published by (or by a third party on behalf of) ISDA, a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time.

"**Credit Derivatives Definitions**" means the 2014 ISDA Credit Derivatives Definitions, as published by ISDA, and, if Additional Provisions are specified to be applicable with respect to the Credit Linked Notes in the relevant Pricing Supplement, as supplemented by the Additional Provisions (with such changes to such Additional Provisions as the relevant Calculation Agent considers reasonably necessary to account for such Additional Provisions applying to Credit Linked Notes rather than to a credit derivative transaction).

"**Credit Derivatives Determinations Committee**" means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions in connection with credit default swap transactions incorporating the 2014 Credit Derivatives Definitions.

"**Credit Event**" means the occurrence of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring, Governmental Intervention or Additional Credit Event, as specified with respect to a Reference Entity in the relevant Pricing Supplement. 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 defense based upon:

(i) 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, or an Insured Obligor to enter into any Insured Instrument;

(ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation or Insured Instrument, however described;

(iii) 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

(iv) 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 the date that is 60 calendar days prior to the Trade Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**Credit Event Notice**" means an irrevocable notice from the relevant Calculation Agent to the Issuer (which may be in writing (including by facsimile and/or email) and/or by telephone) that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date. Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Maturity Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date. A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full relevant Reference Entity Notional Amount.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred, **provided that** where an Event Determination Date has occurred pursuant to sub-paragraph (ii) of the definition thereof, a reference to the relevant DC Credit Event Announcement shall suffice. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

"**Credit Event Resolution Request Date**" means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which:

(i) the DC Credit Event Question was effective; and

(ii) the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

"**Currency Amount**" means with respect to:

(i) a Deliverable Obligation specified in a Notice of Physical Settlement or a selected Valuation Obligation that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate; and

(ii) 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 each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to that portion of the Reference Entity Notional Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

"**Currency Rate**" means with respect to:

(i) a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice or a selected Valuation Obligation, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation or Valuation Obligation, as applicable, is denominated that is either:

(a) determined 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 relevant Calculation Agent shall determine in a commercially reasonable manner; and

(ii) 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.

"**DA Selected Bond**" means the government security or securities selected by the Determination Agent as having the nearest actual or interpolated maturity comparable with the remaining term to maturity of the relevant Notes to be redeemed and that would be utilized, at the time of selection and in accordance with customary financial practice, in determining the redemption price of corporate debt securities denominated in the Specified Currency and with a comparable remaining maturity to the remaining term to maturity of the relevant Notes; **provided however, that**, if the remaining term to maturity of the Notes to be redeemed is less than one year, a government security with a remaining maturity of one year shall be selected.

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in the Indenture or the relevant Pricing Supplement and:

(i) if "**Actual/Actual (ICMA)**" is so specified, means:

(a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

(ii) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(v) if "**Sterling/FRN**" is so specified, means the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

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

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

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30";

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

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

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

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, **however**, **that** in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period.

"**DC Announcement Coverage Cut-off Date**" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 14 calendar days following the No Auction Announcement Date, if any, as applicable.

"**DC Credit Event Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event for purposes of a Notional Credit Derivative Transaction has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, **provided that** if the Credit Event occurred after the Scheduled Maturity Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

"**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 for purposes of a Notional Credit Derivative Transaction has occurred.

"**DC Credit Event Question Dismissal**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"**DC No Credit Event Announcement**" means, with respect to the 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 for purposes of a Notional Credit Derivative Transaction.

"**DC Resolution**" has the meaning given to that term in the DC Rules.

"**DC Rules**" means the Credit Derivatives Determinations Committees Rules, as published on the website of the Credit Derivatives Determinations Committees at https://www.cdsdeterminationscommittees.org/dc-rules/ (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 relevant Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, U.S.$10 million or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the relevant Credit Event.

"**Deliver**" means to deliver, novate, transfer (including, in the case of a Guarantee Obligation or a Qualifying Policy, transfer of the benefit of such Guarantee Obligation or Qualifying Policy, as applicable), 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 Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to the Noteholders 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, defense (other

than a counterclaim or defense based on the factors set forth in sub-paragraphs (i) to (iv) of "Credit Event" or right of set-off by or of the Reference Entity or any applicable Underlying Obligor or Insured Obligor); **provided that** (a) if a Deliverable Obligation is a Direct Loan Participation, "Deliver" means to create (or procure the creation of) a participation in favor of the Noteholders, (b) if a Deliverable Obligation is a Guarantee Obligation, "**Deliver**" means to Deliver both the Underlying Obligation and the Guarantee Obligation; **provided further that** if the Guarantee Obligation has a Fixed Cap, (1) "**Deliver**" means to Deliver the Underlying Obligation, the Guarantee Obligation and all claims to any amounts which are subject to such Fixed Cap and (2) those claims shall be deemed to be Deliverable Obligations for purposes of any Physical Settlement and (c) if the Deliverable Obligation 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 recognized custodian representing an interest in such an Insured Instrument and the related Qualifying Policy). "**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 agrees, and each Noteholder is deemed to agree, to comply, for the purposes of the settlement of the Credit Linked Notes, with the provisions of any documentation (which shall include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves 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 is appropriate, which is consistent with the delivery and payment obligations of the Issuer and the Noteholders. The Issuer further agrees, and each Noteholder is deemed to further agree, that compliance by the Issuer and each relevant Noteholders with the provisions of any such documentation shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and the Issuer shall not be permitted to request that any Noteholder take, no Noteholder shall be permitted to request that the Issuer takes, and neither the Issuer nor any Noteholder shall be required to take, any action or make any payment in connection with such Delivery, as applicable, unless otherwise contemplated by such documentation.

"**Deliverable Obligation**" means, subject to the provisions described in *"—Additional Terms for Credit Linked Notes—Restructuring Credit Event—Mod R*" and *"—Additional Terms for Credit Linked Notes—Restructuring Credit Event—Mod Mod R*":

(i) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee or Qualifying Policy) described by the applicable Deliverable Obligation Category and, subject to the provisions described in "*—Additional Terms for Credit Linked Notes—Provisions relating to Obligation Category and Obligation Characteristics, and Deliverable Obligation Category and Deliverable Obligation Characteristics—Deliverable Obligation Category and Characteristics*", having each of the applicable Deliverable Obligation Characteristics, if any, in each case as of both the NOPS Effective Date and the Delivery Date as selected by the relevant Calculation Agent in its sole discretion;

(ii) the Reference Obligation;

(iii) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is specified as being applicable in the relevant Pricing Supplement, any Sovereign Restructured Deliverable Obligation; and

(iv) if Asset Package Delivery is specified as being applicable in the relevant Pricing Supplement, any Prior Deliverable Obligation (if "Financial Reference Entity Terms" is specified as applicable in the relevant Pricing Supplement) or any Package Observable Bond (if the Reference Entity is a Sovereign),

in each case, (a) unless it is an Excluded Deliverable Obligation and (b) **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 (iv) above, immediately prior to the relevant Asset Package Credit Event).

"**Deliverable Obligation Category**" means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan as specified in relation to a Reference Entity.

"**Deliverable Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer as specified in relation to a Reference Entity.

"**Deliverable Obligation Provisions**", in relation to any Reference Entity, has the meaning set forth in the Credit Derivatives Auction Settlement Terms.

"**Deliverable Obligation Terms**", in relation to any Reference Entity, has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

"**Delivery Date**" means, with respect to a Deliverable Obligation or an Asset Package, the date on which such Deliverable Obligation is Delivered (or deemed Delivered as described under paragraph (e) (*Asset Package Delivery*) of "*—Additional Terms for Credit Linked Notes—Physical Settlement—Delivery*").

"**Designated Maturity**" has the meaning given in the relevant Pricing Supplement.

"**Determination Agent**" means an Independent Advisor, investment bank or financial institution of recognized standing with appropriate expertise selected by the Issuer.

"**Determination Business Day**" means: (i) for the purposes of Renminbi Notes which are not CMU Notes, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London and New York City; and (ii) for the purposes of Renminbi Notes which are CMU Notes, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, Australia and New York City.

"**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 favor of each Noteholder that provides each Noteholder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Noteholder and either:

(i) the Issuer (to the extent that the Issuer is then a lender or member of the relevant lending syndicate); or

(ii) 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).

"**Domestic Currency**" means the currency specified as such in the relevant Pricing Supplement and any successor currency thereto, or if no such currency is specified, the lawful currency and any successor currency of:

(i) the Reference Entity, if the Reference Entity is a Sovereign; or

(ii) the jurisdiction in which the Reference Entity is organized, 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 organized, 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.

"**Dual Currency Redemption Rate of Exchange**" means the bid spot exchange rate for the Specified Currency/Equivalent Currency which appears on the Dual Currency Redemption Relevant Screen Page (as specified in the relevant Pricing Supplement) at or around the Dual Currency Redemption Relevant Time (as specified in the relevant Pricing Supplement) on the Redemption Pricing Date (as specified in the relevant Pricing Supplement), as determined by the relevant Calculation Agent (or, if the Dual Currency Redemption Rate of Exchange does not appear on the Dual Currency Redemption Relevant Screen Page at

the Dual Currency Redemption Relevant Time, the Dual Currency Redemption Rate of Exchange will be determined by the Issuer in its sole discretion acting in a commercially reasonable manner).

"**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 Relevant Valuation Date, as applicable.

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount, the CDS Spread Early Redemption Amount, the Basket CLN Early Redemption Amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement.

"**Early Termination Amount**" means, in respect of any Note, its principal amount, the CDS Spread Early Termination Amount, the Basket CLN Early Termination Amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement.

"**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:

(i) any:

(a) bank or other financial institution;

(b) insurance or reinsurance company;

(c) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (iii)(A) below); and

(d) 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;

(ii) an Affiliate of an entity specified in (i) above;

(iii) each of a corporation, partnership, proprietorship, organization, trust or other entity:

(a) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralized 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

(b) that has total assets of at least U.S.$500 million; or

(c) 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 (i), (ii), (iii)(B) or (iv) hereof; and

(iv) any

(a) Sovereign; or

(b) entity or organization 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,

and where references in this definition to U.S.$ include such equivalent amounts in other currencies as may be determined by the relevant Calculation Agent.

"**Equivalent Currency**" has the meaning given in the relevant Pricing Supplement.

"**EURIBOR**" means, the Euro wholesale funding rate known as the Euro Interbank Offered Rate administered by the European Money Markets Institute (or any successor administrator).

"**Euroclear**" means Euroclear Bank SA/NV.

"**Event Determination Date**" means, with a respect to a Credit Event and a Notional Credit Derivative Transaction:

(i) subject to sub-paragraph (ii) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, **provided that** neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or

(ii) notwithstanding sub-paragraph (i) above, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) either:

(a) the Credit Event Resolution Request Date, if:

(1) "Auction Settlement" is the applicable Settlement Method; and

(2) a Credit Event Notice is delivered by the relevant Calculation Agent to the Issuer and is effective on or prior to the Exercise Cut-off Date; or

(b) the first date on which a Credit Event Notice is delivered by the relevant 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 14 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 Trade Date)), if:

(1) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; and

(2) either:

(A) "Auction Settlement" is not the applicable Settlement Method; or

(B) "Auction Settlement" is the applicable Settlement Method and a Credit Event Notice is delivered by the relevant Calculation Agent to the Issuer and is effective on a date that is later than the relevant Exercise Cut-off Date,

provided that:

(aa) no Physical Settlement Date, Cash Settlement Date or CLN Maturity Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;

(bb) 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, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the outstanding

principal amount of each Credit Linked Note, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and

(cc) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the relevant Calculation Agent to the Issuer, (A) 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, (B) unless, and to the extent that, the Exercise Amount specified in such Credit Event Notice was less than the outstanding relevant Reference Entity Notional Amount, or (C) 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.

"**Event of Default**" has the applicable meaning given in "*– Events of Default*".

"**Excess Amount**" means any amount paid to the Noteholders but which was not due on the Credit Linked Notes, as a result of the occurrence of a DC Credit Event Announcement or a Credit Event Resolution Request Date on or around the date on which the amount in question would otherwise have been required to be paid.

"**Excluded Deliverable Obligation**" means:

(i) any obligation of the Reference Entity specified as such or of a type specified in the relevant Pricing Supplement;

(ii) any principal only component of a Bond from which some or all of the interest components have been stripped; and

(iii) 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:

(i) any obligation of the Reference Entity specified as such or of a type described in the relevant Pricing Supplement;

(ii) if "Financial Reference Entity Terms" and "Senior Transaction" are specified as applicable in the relevant Pricing Supplement, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

(iii) if "Financial Reference Entity Terms" and "Subordinated Transaction" are specified as applicable in the relevant Pricing Supplement, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"**Exercise Cut-off Date**" means, with respect to a Credit Event and a Notional Credit Derivative Transaction, the date that is:

(i) 65 CLN Business Days following the Final List Publication Date;

(ii) 15 CLN Business Days following the Auction Final Price Determination Date, if any;

(iii) 15 CLN Business Days following the Auction Cancellation Date, if any; or

(iv) 15 CLN Business Days following the No Auction Announcement Date, if any.

"**Extended Physical Settlement Date**" means:

(i) in the case of a Capped Reference Entity, the 60th CLN Business Day following the Physical Settlement Date (the "60th CLN Settlement Date"), **provided that** if, under the terms of a Hedge Transaction, the Original Bonds and Original Loans, may not be received by the Issuer and/or any of its Affiliates on or before the 60th CLN Settlement Date but the Issuer and/or any of its Affiliates may, in accordance with the terms of the Hedge Transaction, receive or otherwise obtain such Original Bonds or such Original Loans or other Bonds or Loans in lieu thereof on or before the

date falling three CLN Business Days (in a case where Original Bonds may be received or otherwise obtained after the Extended Physical Settlement Date) or ten CLN Business Days (in a case where Original Loans or other Loans or Bonds in lieu thereof may be received or otherwise obtained after the Extended Physical Settlement Date) after the 60th CLN Settlement Date, such date may be further extended to a date falling up to three CLN Business Days or ten CLN Business Days, respectively, after the 60th CLN Settlement Date, or to such earlier date as the relevant Calculation Agent may determine, in its absolute discretion; and

(ii) in the case of a Non-Capped Reference Entity, such date as the relevant Calculation Agent may determine in its absolute discretion, **provided that** such date falls no later than the 120th CLN Business Day following the Physical Settlement Date or, in the absence of such determination, such 120th CLN Business Day.

"**Extension Date**" means the latest of:

(i) the Scheduled Maturity Date;

(ii) the Grace Period Extension Date if:

(a) Failure to Pay is an applicable Credit Event in relation to any Reference Entity;

(b) Grace Period Extension is specified as applicable in relation to such Reference Entity; and

(c) the Issuer delivers an Extension Notice;

(iii) the Repudiation/Moratorium Evaluation Date if:

(a) Repudiation/Moratorium is an applicable Credit Event in relation to any Reference Entity; and

(b) the Issuer delivers an Extension Notice.

"**Extension Notice**" means a notice from the Issuer to the relevant Calculation Agent and the Noteholders giving notice that the CLN Maturity Date shall be extended beyond the Scheduled Maturity Date, as provided in the definition of "CLN Maturity Date".

"**Extraordinary Resolution**" has the meaning given in the Indenture.

"**Failure to Pay**" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure. 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.

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.

"**Fallback Settlement Event**" means:

(i) an Auction Cancellation Date occurs;

(ii) a No Auction Announcement Date occurs (and in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (ii) or (iii)(b) of the definition of "No Auction Announcement Date", the Issuer has not exercised the Movement Option on or prior to the Movement Option Cut-Off Date);

(iii) a DC Credit Event Question Dismissal occurs;

(iv) an Event Determination Date was determined pursuant to sub-paragraph (i) of the definition of "Event Determination Date" and no Credit Event Resolution Request Date has occurred on or prior to the date falling three CLN Business Days after such Event Determination Date; or

(v) an Event Determination Date was determined pursuant to sub-paragraph (ii)(B)(2)(II) of the definition of "Event Determination Date".

"**Fallback Settlement Method**" means Cash Settlement or Physical Settlement, as specified in the relevant Pricing Supplement.

"**FATCA**" means Sections 1471 through 1474 of the Code (or any amended or successor provisions) and any regulations or official interpretations thereof or any law, agreement or regulations implementing an intergovernmental approach thereto.

"**FATCA Withholding**" means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

"**FFI**" means a "foreign financial institution" as such term is defined pursuant to FATCA.

"**Final List**" has the meaning given to that term in the DC Rules.

"**Final List Publication Date**" means, in respect of a Credit Event, the date on which the last Final List in respect of such Credit Event, if any, is published by the relevant Credit Derivatives Determination Committee.

"**Final Price**" means the price of any Valuation Obligation or Undeliverable Asset, expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount, as applicable, determined in accordance with the highest Quotation obtained by the relevant Calculation Agent (or otherwise in accordance with the definition of "Quotation") with respect to the Relevant Valuation Date.

"**Final Redemption Amount**" means,

(i) in respect of Dual Currency Notes to which Equivalent Currency Redemption provisions are specified as applicable in the relevant Pricing Supplement, the amount per Calculation Amount as specified in the relevant Pricing Supplement as converted into the Equivalent Currency at the Dual Currency Redemption Rate of Exchange rounded to the nearest sub-unit of the Equivalent Currency (half a sub-unit being rounded upwards); or

(ii) in respect of Reverse Dual Currency Notes to which Equivalent Currency Redemption provisions are specified as applicable in the relevant Pricing Supplement, the amount per Equivalent Calculation Amount as specified in the relevant Pricing Supplement as converted into the Specified Currency at the Reverse Dual Currency Redemption Rate of Exchange rounded to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards); or

(iii) in respect of any other Note, the amount per Calculation Amount as specified in the relevant Pricing Supplement.

For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

"**First Interest Payment Date**" means the date specified in the relevant Pricing Supplement.

"**First Ranking Interest**" means a charge, security interest or other type of interest having similar effect (an "**Interest**") which is expressed as being "first ranking", "first priority", or similar ("**First Ranking**") in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any relevant insolvency jurisdiction of the LPN Issuer).

"**First-to-Occur Settlement Date**" means, the earlier to occur between the Auction Settlement Date (or if a Fallback Settlement Event occurs, the Cash Settlement Date), if any, in respect of the Short Reference Entity and the Long Reference Entity; **provided that** if the Auction Settlement Date or Cash Settlement Date with respect to a Reference Entity occurs on the same date as the Auction Settlement Date or Cash Settlement Date with respect to the other Reference Entity, such date shall be the First-to-Occur Settlement Date.

"**Fixed Cap**" means, with respect to a Guarantee Obligation or Qualifying Policy, 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 or Insured Instrument (as applicable), **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 or Insured Instrument shall not be considered to be variable inputs).

"**Fixed Coupon Amount**" has the meaning given in the relevant Pricing Supplement.

"**Full Quotation**" means each firm bid quotation obtained from a CLN Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of a Valuation Obligation or, as the case may be, Undeliverable Asset with an Outstanding Principal Balance or Due and Payable Amount equal to the Quotation Amount.

"**Fully Transferable Obligation**" means a Deliverable Obligation that is (or where the Deliverable Obligation is a Qualifying Policy, a Qualifying Policy in respect of which the Insured Instrument 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 to be a requirement for consent for purposes of this definition.

"**Further Subordinated Obligation**" means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

"**Global Note**" means a Global Bearer Note or a Global Registered Note.

"**Governmental Authority**" means:

(i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof);

(ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;

(iii) 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 of all of its obligations; or

(iv) any other authority which is analogous to any of the entities specified in sub-paragraphs (i) to (iii) 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:

(i) any event which would affect creditors' rights so as to cause:

  (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

  (b) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(c) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium; or

(d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;

(ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;

(iii) a mandatory cancellation, conversion or exchange; or

(iv) any event which has an analogous effect to any of the events specified in sub-paragraphs (i) to (iii) above.

For purposes of the above, the term "**Obligation**" shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee Obligation and Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy.

"**Grace Period**" means:

(i) subject to sub-paragraphs (ii) and (iii), the applicable grace period with respect to payments under and in accordance with the terms of the relevant Obligation in effect as of the date as of which such Obligation is issued or incurred;

(ii) if "Grace Period Extension Date" is applicable in relation to the relevant Reference Entity, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the relevant Pricing Supplement or, if no period is specified, 30 calendar days; and

(iii) 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 applicable in relation to the relevant Reference Entity in the relevant Pricing Supplement, such deemed Grace Period shall expire no later than the Scheduled Maturity Date.

"**Grace Period Business Day**" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the jurisdiction of the Obligation Currency.

"**Grace Period Extension Date**" means, if:

(i) Grace Period Extension is specified as applicable in relation to a Reference Entity in the relevant Pricing Supplement as applicable pursuant to the relevant Transaction Type; and

(ii) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date,

the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

"**Guarantee Obligation**" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"**Guarantor Opinion of Counsel**" means a written opinion provided by counsel for the Guarantor, where such counsel may be an employee of or regular counsel for the Guarantor or may be other counsel satisfactory to the Trustee.

"**Hedge Disruption Event**" means the Issuer and/or any of its Affiliates has not received the relevant Deliverable Obligations and/or cash under the terms of a Hedge Transaction.

"**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 (including, but not limited to, interest rate swaps, interest rate caps or cross-currency swaps).

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates is unable, 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 options contract(s) it deems necessary to hedge its exposure with respect to the Credit Linked Notes, or (b) freely realize, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or any futures or options contract(s) or any relevant hedge positions relating to the Credit Linked Notes.

"**HKMA**" means the Hong Kong Monetary Authority appointed pursuant to Section 5A of the Exchange Fund Ordinance (Cap. 66 of the laws of Hong Kong) or its successors.

"**Holder**", in the case of Bearer Notes, has the meaning given in "*Form, Denomination and Title – Bearer Notes*" and, in the case of Registered Notes, has the meaning given in "*Form, Denomination and Title – Registered Notes*".

"**Holder FATCA Information**" means information sufficient to eliminate the imposition of FATCA Withholding.

"**Holder Tax Identification Information**" means properly completed and signed tax certifications (generally, in the case of U.S. Federal Income Tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a "United States Person" within the meaning of United States Internal Revenue Code Section 7701(a)(30) or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a "United States Person" within the meaning of United States Internal Revenue Code Section 7701(a)(30)).

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC.

"**Hong Kong 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 Hong Kong.

"**ICSD Calculation Agent**" means the party responsible in respect of Notes other than CMU Notes for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Pricing Supplement which, subject to the appointment and acceptance of appointment pursuant to the Indenture, will be the Principal Paying Agent **provided that** the Principal Paying Agent will not act as Calculation Agent in respect of any CMU Notes, Equity Linked Notes (including, without limitation, Single Share Notes, Share Basket Notes, Single Index Notes and Index Basket Notes), Dual Currency Notes or the Reverse Dual Currency Notes, unless otherwise agreed.

"**ICSD Registrar**" means Citibank Europe plc as registrar in respect of Notes other than CMU Notes and any successor or additional registrars appointed from time to time in accordance with the Indenture.

"**ICSD Transfer Agents**" means Citibank, N.A., London Branch as a transfer agent in respect of Notes other than CMU Notes, any successor and each additional transfer agent appointed from time to time in accordance with the Indenture.

"**Illiquidity**" means where the general Renminbi exchange market in Hong Kong becomes illiquid and, as a result thereof, the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay an amount due (in whole or in part) in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation (if practicable) with two Renminbi Dealers.

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Hong Kong Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date (or, if earlier, any CNY Issue Trade Date as specified in the relevant Pricing Supplement) and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates 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 (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Credit Linked Notes, or (b) realize, 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 shall not be deemed an Increased Cost of Hedging.

"**Instrument Payments**" means (A) 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 (B) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (A) and (B) (1) determined without regard to 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 amounts owing under such Insured Instrument (**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, such payments that would have been required to be made absent any such limitation or reduction) and (2) 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).

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period.

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Pricing Supplement.

"**Interest Determination Date**" has the meaning given in the relevant Pricing Supplement.

"**Interest Payment Date**" means the First Interest Payment Date and any date or dates specified as such in, or determined in accordance with the provisions of, the relevant Pricing Supplement and, if a Business Day Convention is specified in the relevant Pricing Supplement:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date.

"**IRS**" means the United States Internal Revenue Service.

"**ISDA**" means the International Swaps and Derivatives Association (or any successor).

"**ISDA Definitions**" has the meaning given in the relevant Pricing Supplement.

"**Issue Date**" has the meaning given in the relevant Pricing Supplement.

"**Issuer Opinion of Counsel**" means a written opinion provided by counsel for the Issuer, where such counsel may be an employee of or regular counsel for the Issuer or may be other counsel satisfactory to the Trustee.

"**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 relevant Calculation Agent by reference to Eligible Information. If, in the sole determination of the relevant Calculation Agent, this cannot be reasonably determined, the Largest Asset Package will be the package of Assets with the highest immediately realizable value, determined by the relevant Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

"**Latest Permissible Physical Settlement Date**" means, in respect of the provision described in "*—Additional Terms for Credit Linked Notes—Physical Settlement—Partial Cash Settlement Due to Impossibility or Illegality*", the date that is 30 calendar days following the Physical Settlement Date and, in respect of the provisions described in "*—Additional Terms for Credit Linked Notes—Physical Settlement—Partial Cash Settlement of Consent Required Loans*", "*—Additional Terms for Credit Linked Notes—Physical Settlement—Partial Cash Settlement of Assignable Loans*" or "*—Additional Terms for Credit Linked Notes—Physical Settlement—Partial Cash Settlement of Participations*", the date that is 15 CLN Business Days after the Physical Settlement Date.

"**Limitation Date**" means, in respect of a Credit Event that is a Restructuring, 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 relevant Pricing Supplement.

"**Listed**" means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

"**Loan**" means any obligation of a type included in the "Borrowed Money" Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

"**London Business Day**" means a day on which commercial banks and foreign exchange markets are generally open to settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

"**Long Notional Credit Derivative Transaction**" shall have the meaning of a Notional Credit Derivative Transaction, except (i) the hypothetical market standard credit default swap transaction as referenced therein is entered into by the Issuer as Seller and not Buyer (each as defined in the Credit Derivatives Definitions), (ii) the notional amount is the Reference Entity Notional Amount with respect to the Long Reference Entity and (iii) the Reference Entity is the Long Reference Entity.

"**Long Reference Entity**" means the entity specified as such in the relevant Pricing Supplement;

"**LPN**" means any bond issued in the form of a loan participation note.

"**LPN Issuer**" means, in respect of any LPN, the entity which issued the relevant LPN.

"**LPN Reference Obligation**" means each Reference Obligation other than any Additional Obligation which is issued for the sole purpose of providing funds to the LPN Issuer to finance an Underlying Loan. 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 from constituting a Reference Obligation.

"**Make Whole Redemption Price**" has the meaning given in "*—Redemption and Purchase — Redemption at the Option of the Issuer*".

"**Margin**" has the meaning given in the relevant Pricing Supplement.

"**Margin Multiplier**" has the meaning given in the relevant Pricing Supplement.

"**Maturity Date**" has the meaning given in the relevant Pricing Supplement.

"**Maximum Maturity**" means an obligation that has a remaining maturity of not greater than the period specified in the relevant Pricing Supplement (or if no such period is specified, 30 years).

"**Maximum Redemption Amount**" has the meaning given in the relevant Pricing Supplement.

"**Merger Event**" means that, at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Maturity Date, the Issuer or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Reference Entity or the Issuer, as applicable, or the Issuer and a Reference Entity become Affiliates.

"**Merger Event Redemption Date**" means the date specified as such in the relevant Pricing Supplement.

"**Minimum Quotation Amount**" means the amount specified as such in the relevant Pricing Supplement (or its equivalent in the relevant Obligation Currency) or, if no such amount is so specified, the lower of:

(i) U.S.$1 million (or its equivalent in the relevant Obligation Currency); and

(ii) the Quotation Amount.

"**Minimum Redemption Amount**" has the meaning given in the relevant Pricing Supplement.

"**M(M)R Restructuring**" means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in the relevant Pricing Supplement.

"**Modified Eligible Transferee**" means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, 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 Date. Subject to the foregoing, if the Scheduled Maturity Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

"**Movement Option**" means the option of the Issuer to apply the Parallel Auction Settlement Terms, if any, to the Credit Linked Notes for purposes of settlement. The Issuer will determine which Parallel Auction Settlement Terms, if any, apply with respect to the Credit Linked Notes.

"**Movement Option Cut-Off Date**" means the date which is 60 CLN Business Days following the Final List Publication Date.

"**Multiple Noteholder Obligation**" means an Obligation that:

(i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three Noteholders that are not Affiliates of each other; and

(ii) with respect to which a percentage of Noteholders (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 this sub-paragraph (ii).

"**N**" or "**Nth**" means, where the relevant Pricing Supplement specifies that "Nth-to-Default Credit Linked Note" is applicable, such number as may be specified in such Pricing Supplement.

"**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 or, as applicable, the date of selection of Valuation Obligations.

"**No Auction Announcement Date**" means, with respect to a Credit Event, the date on which the DC Secretary first publicly announces that:

(i) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published;

(ii) 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

(iii) 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 (a) no Parallel Auction will be held, or (b) one or more Parallel Auctions will be held.

"**Non-Capped Reference Entity**" means a Reference Entity which is not a Capped Reference Entity.

"**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 (i) of the definition of "Deliverable Obligation" on the Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

"**Non-Financial Instrument**" means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

"**Non-Standard Reference Obligation**" means, in respect of a Reference Entity, the Original Non-Standard Reference Obligation specified for such Reference Entity or, if a Substitute Reference Obligation has been determined for such Original Non-Standard Reference Obligation, such Substitute Reference Obligation.

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong and outside the PRC or from an account outside Hong Kong and outside the PRC to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Hong Kong Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date (or, if earlier, any CNY Issue Trade Date as specified in the relevant Pricing Supplement) and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Non-Transferable Instrument**" means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

"**NOPS Amendment Notice**" means a notice from the Issuer to the relevant Calculation Agent notifying it that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective).

"**NOPS Cut-off Date**" means, subject, where applicable, to the provisions described in "*—Additional Terms for Credit Linked Notes—Redemption—Suspension of Obligations*":

(i) subject to sub-paragraph (ii) below, the later of:

  (a) the thirtieth calendar day after the Event Determination Date; and

  (b) 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 Exercise Cut-off Date); or

(ii) if "Physical Settlement" is applicable pursuant to the Fallback Settlement Method in accordance with sub-paragraph (i) or (ii) of the definition of "Fallback Settlement Event" and:

  (a) the relevant Credit Event is not an M(M)R Restructuring, the later of:

    (1) the date determined pursuant to sub-paragraph (i)(A) above; and

    (2) the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date occurring pursuant to sub-paragraphs (i) or (iii)(a) of the definition of "No Auction Announcement Date", as applicable; or

(b) the relevant Credit Event is an M(M)R Restructuring, the later of:

(1) the date determined pursuant to sub-paragraph (i)(A) above; and

(2) the thirtieth calendar day after:

(A) a No Auction Announcement Date occurring pursuant to sub-paragraph (i) of the definition of "No Auction Announcement Date", if any;

(B) a No Auction Announcement Date occurring pursuant to sub-paragraph (iii)(a) of the definition of "No Auction Announcement Date", if any;

(C) the Auction Cancellation Date, if any, as applicable; or

(D) the Movement Option Cut-Off Date, where either:

(aa) a No Auction Announcement Date occurs pursuant to sub-paragraph (ii) of the definition of "No Auction Announcement Date" and the Credit Linked Notes have not been subject to exercise of the Movement Option; or

(bb) a No Auction Announcement Date occurs pursuant to sub-paragraph (iii)(b) of the definition of "No Auction Announcement Date" and the Credit Linked Notes have not been subject to exercise of the Movement Option,

provided that, in the case of sub-paragraphs (i)(b) and (ii) above, the relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in sub-paragraph (i)(a) above; provided further that the NOPS Cut-off Date may be adjusted by the relevant Calculation Agent using its discretion in order to match any Hedge Transaction.

"**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 Issuer.

"**Not Bearer**" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear, Clearstream, Luxembourg or any other internationally recognized clearing system.

"**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.

"**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.

"**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.

"**Not Sovereign Lender**" means any obligation that is not primarily owed to (a) a Sovereign or (b) any entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as "Paris Club debt".

"**Not Subordinated**" means an obligation that is not Subordinated to (a) the Reference Obligation or (b) the Prior Reference Obligation, if applicable.

"**Note Register**" has the meaning given in the Indenture.

"**Notice Delivery Date**" means the first date on which both an effective Credit Event Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the relevant Pricing Supplement, an effective Notice of Publicly Available Information, have been delivered by the relevant Calculation Agent to the Issuer.

"**Notice Delivery Period**" means the period from and including the Trade Date to and including the date (the "**Notice Delivery End Date**") that is 15 CLN Business Days (or such other number of days as may be specified in the relevant Pricing Supplement) after the Extension Date (or, if the relevant Credit Event is a Restructuring and either "Mod R" or "Mod Mod R" is specified in the relevant Pricing Supplement, the later of:

(i) the Notice Delivery End Date; and

(ii) the date that is 65 CLN Business Days following the Final List Publication Date).

"**Notice of Physical Settlement**" means a notice from the Issuer to the relevant Calculation Agent and Noteholders that (a) confirms that the Issuer intends to settle the Credit Linked Notes and requires performance in accordance the provisions described in the "*Physical Settlement*" section above, (b) contains a detailed description of each Deliverable Obligation that the Issuer intends to Deliver to Noteholders, including, if available and applicable, the CUSIP number or ISIN (or, if such identifying number is not available or applicable, the rate and tenor) of each such Deliverable Obligation and (c) specifies 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 intends to Deliver to the Noteholders (the "**Aggregate Outstanding Amount**").

"**Notice of Publicly Available Information**" means an irrevocable notice from the relevant Calculation Agent (which may be by telephone) 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 must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If "Notice of Publicly Available Information" is specified as applicable in the relevant Pricing Supplement 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.

"**Notional Credit Derivative Transaction**" means, with respect to any Credit Linked Note and a Reference Entity, 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:

(i) the "Trade Date" is the Trade Date, if specified in the relevant Pricing Supplement and if not, the Issue Date;

(ii) the "Scheduled Termination Date" is the Scheduled Maturity Date;

(iii) the "Reference Entit(y)(ies)" thereunder is(are) such Reference Entit(y)(ies);

(iv) the applicable "Transaction Type", if any, is the Transaction Type for the purposes of such Credit Linked Note; and

(v) the remaining terms as to credit linkage are consistent with the terms of such Credit Linked Note as it relates to such Reference Entity.

"**Nth-to-Default Credit Linked Note**" means any Nth-to-default credit-linked Credit Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of two or more Reference Entities, as specified in the relevant Pricing Supplement.

"**Obligation**" means:

(i) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee or Qualifying Policy) described by the applicable Obligation Category and having each of the applicable Obligation Characteristics, if any, in each case immediately prior to the relevant Credit Event as selected by the relevant Calculation Agent in its sole discretion; and

(ii) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

"**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 the Reference Entity under one or more Obligations.

"**Obligation Category**" means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in relation to a Reference Entity.

"**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 relation to a Reference Entity.

"**Obligation Currency**" means the currency or currencies in which an 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 (howsoever described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

"**Officer's Certificate**" has the meaning given in the Indenture.

"**Opinions of Counsel**" means an Issuer Opinion of Counsel and a Guarantor Opinion of Counsel.

"**Optional Redemption Amount (Call)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement.

"**Optional Redemption Amount (Clean-up Call)**" means, in respect of any Note, the amount specified in the relevant Pricing Supplement.

"**Optional Redemption Amount (Put)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement.

"**Optional Redemption Date (Call)**" has the meaning given in the relevant Pricing Supplement.

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Pricing Supplement.

"**Original Bonds**" means any Bonds comprising part of the relevant Deliverable Obligations.

"**Original Loans**" means any Loans comprising part of the relevant Deliverable Obligations.

"**Original Non-Standard Reference Obligation**" means, in relation to a Reference Entity, the obligation of such Reference Entity (either directly or as provider of a guarantee or Qualifying Policy) which is specified as the Reference Obligation for such Reference Entity in the relevant Pricing Supplement (if any is so specified); **provided that**, if an obligation is not an obligation of such Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the relevant Notional Credit Derivative Transaction (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) expressed otherwise in the relevant Pricing Supplement, or (b) the relevant Notional Credit Derivative Transaction is a Reference Obligation Only Trade.

"**Outstanding Amount**" has the meaning given thereto in the definition of "Notice of Physical Settlement".

"**Outstanding Principal Balance**" means, in relation to an obligation, an amount calculated as follows:

(i) *first*, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, where applicable in accordance with the provisions described in the "*— Additional Terms for Credit Linked Notes—Redemption—Accrued Interest on Deliverable Obligations, Valuation Obligations*" section above, the Reference Entity's accrued but unpaid interest payment obligations, **provided that**:

(a) in the case of a Guarantee Obligation such amount will be the lower of (X) the amount determined in accordance with the provisions of sub-paragraph (i) above in respect of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (Y) the amount of the Fixed Cap, if any; and

(b) in the case of a Qualifying Policy such amount will be the lower of (X) the amount determined in accordance with the provisions of sub-paragraph (i) above in respect of the Insured Instrument (determined as if references to the Insured Obligor were references to the Underlying Obligor), such amount determined without regard to 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 Instrument Payments owing under such Insured Instrument (**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, such payments that would have been required to be made absent any such limitation or reduction), and (Y) the amount of the Fixed Cap, if any;

(ii) *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 (A) payment or (B) a Permitted Contingency) (the amount determined in sub-paragraph (i) above less any amounts subtracted in accordance with this sub-paragraph (ii), the "**Non-Contingent Amount**"); and

(iii) *third*, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

(iv) unless otherwise specified, 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 Relevant Valuation Date, as applicable; and

(v) 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).

"**Package Observable Bond**" means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within the definition of "Deliverable Obligation" set out in sub-paragraph (i) or (ii) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

"**Par Redemption Date**" has the meaning given in the relevant Pricing Supplement.

"**Parallel Auction**" means "Auction" as defined in any 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 (or by a third party on behalf of) ISDA with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms are the same as the

Deliverable Obligation Provisions applicable to a Notional Credit Derivative Transaction and for which such Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

"**Partial Cash Settlement Amount**" means, where the applicable Settlement Method is Physical Settlement, an amount determined by the relevant Calculation Agent, in respect of a Noteholder, equal to the aggregate, for each Undeliverable Asset for such Noteholder, of:

(i) the relevant Outstanding Principal Balance, Due and Payable Amount or Currency Amount, as applicable, of such Undeliverable Asset specified in the relevant Notice of Physical Settlement (or, as applicable, NOPS Amendment Notice); *multiplied by*

(ii) the Final Price of such Undeliverable Asset.

"**Partial Cash Settlement Date**" means, in respect of a Noteholder, the date falling three CLN Business Days (unless otherwise specified in relation to a Reference Entity) after the date on which the Final Price can first be determined in respect of each Undeliverable Asset for such Noteholder.

"**Paying Agents**" means (a) in respect of Notes other than CMU Notes, the Principal Paying Agent; or (b) in respect of CMU Notes, the CMU Lodging and Paying Agent. For the avoidance of doubt, references to "**relevant Paying Agent**" shall mean, in the context of Notes other than CMU Notes, the Principal Paying Agent or, in respect of CMU Notes, the CMU Lodging and Paying Agent.

"**Payment**" means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day that is:

  (a) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

  (b) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Center; or

(ii) if the currency of payment is Renminbi, a day on which banks and foreign exchange markets are open for business settlement of Renminbi payments in Hong Kong; or

(iii) if the currency of payment is not euro or Renminbi, any day that is:

  (a) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

  (b) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Center of the currency of payment and in each (if any) Additional Financial Center.

"**Payment Requirement**" means the amount specified as such in the relevant Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, U.S.$1 million or its equivalent in the relevant Obligation Currency as determined by the relevant Calculation Agent in a commercially reasonable manner) 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 that Auction.

"**Permitted Contingency**" means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

(i) as a result of the application of:

(a) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;

(b) provisions implementing the Subordination of the obligation;

(c) 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 Obligation);

(d) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the relevant Pricing Supplement; or

(e) provisions which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the relevant Pricing Supplement; or

(ii) 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.

"**Person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Physical Settlement Adjustment**" means a reduction to the Outstanding Amount of Deliverable Obligations specified in a Notice of Physical Settlement, by an amount of Deliverable Obligations having a liquidation value equal to the Unwind Costs (only if positive) rounded upwards to the nearest whole denomination of a Deliverable Obligation, such amount to be determined by the relevant Calculation Agent. For the avoidance of doubt, if the relevant Pricing Supplement specifies that Unwind Costs are not applicable, the Physical Settlement Adjustment shall be zero.

"**Physical Settlement Adjustment Rounding Amount**" means an amount (if any) equal to the difference between the absolute value of the Physical Settlement Adjustment and the liquidation value of such whole number of Deliverable Obligations as are not required to be Delivered by the Issuer by way of compensation for any Unwind Costs.

"**Physical Settlement Date**" means the last day of the longest Physical Settlement Period following the NOPS Cut-off Date as the relevant Calculation Agent may designate in its sole discretion. If all Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, are Delivered on or before the day so designated, the date that Delivery of such Deliverable Obligations is completed shall be deemed to be the Physical Settlement Date.

"**Physical Settlement Matrix**" means the "Credit Derivatives Physical Settlement Matrix", as most recently amended and supplemented as at the Trade Date (unless otherwise agreed by the parties) and as published by ISDA on its website at www.isda.org (or any successor website thereto), **provided that** any reference therein to:

(i) "Confirmation" shall be deemed to be a reference to the relevant Pricing Supplement;

(ii) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency;

(iii) "Section 1.32 of the Definitions" shall be deemed to be a reference to "Credit Event Notice" as defined in this "*Description of the Notes*";

(iv) "Section 1.33" shall be deemed to be a reference to the provisions described in "*—Additional Terms for Credit Linked Notes—Restructuring Credit Event—Multiple Credit Event Notices*"; and

(v) "Section 8.19" shall be deemed to be a reference to "Physical Settlement Period" as defined in this "*Description of the Notes*".

"**Physical Settlement Period**" means, subject to the provisions described in "*—Additional Terms for Credit Linked Notes—Redemption—Suspension of Obligations*", the number of CLN Business Days specified as such in relation to a Reference Entity or, if a number of CLN Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the longest number of CLN Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the relevant Calculation Agent; **provided that** if the Issuer has notified the relevant Calculation Agent and the Noteholders that it intends to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be 30 CLN 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 sixteen calendar days thereafter; **provided that** the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date).

"**Potential Failure to Pay**" means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more 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 subparagraph (i) of the definition of "Repudiation/Moratorium".

"**PRC**" means the People's Republic of China which, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan.

"**Principal Financial Center**" means, in relation to any currency, the principal financial center for that currency, **provided**, **however**, **that**:

(i) in relation to euro, it means the principal financial center of such Member State as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the relevant Calculation Agent; and

(ii) in relation to New Zealand dollars, it means either Wellington or Auckland, as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the relevant Calculation Agent.

"**Principal Paying Agent**" means Citibank, N.A., London Branch as principal paying agent in respect of Notes other than CMU Notes and any successor or additional issuing and principal paying agent appointed from time to time in accordance with the Indenture.

"**Prior Deliverable Obligation**" means:

(i) 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 (a) existed immediately prior to such Governmental Intervention, (b) was the subject of such Governmental Intervention and (c) fell within the definition of "Deliverable Obligation" set out in sub paragraph (i) or (ii) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or

(ii) 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 a Notional Credit Derivative Transaction, (a) the Reference Obligation most recently applicable thereto, if any, and otherwise, (b) the obligation specified in the relevant Pricing Supplement as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (c) 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, defense (other than a counterclaim or defense based on the factors set forth in sub-paragraphs (i) to (iv) of the definition of "Credit Event") or right of setoff by or of the Reference Entity or any applicable Underlying Obligor or Insured Obligor.

"**Public Source**" means each source of Publicly Available Information specified as such in the relevant Pricing Supplement (or, if no such source is specified in the relevant Pricing Supplement, 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 organized and any other internationally recognized published or electronically displayed news sources).

"**Publicly Available Information**" means:

(i) information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which:

(a) has been published in or on not less than two Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information, **provided that**, if either the relevant Calculation Agent or the Issuer or any of its respective Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless either such Calculation Agent or the Issuer or any of its Affiliates is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent, facility agent or agent bank for an Obligation;

(b) is information received from or published by (1) a Reference Entity (or, for a Reference Entity which 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 (2) 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-paragraph (A) or (C) above 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.

(ii) In relation to any information of any type described in sub-paragraphs (i)(B) or (C) above, the Issuer and the Noteholders may assume that such information has been disclosed to them without violating any law, agreement or understanding regarding the confidentiality of such information and that the relevant Calculation Agent 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 Issuer and the Noteholders.

(iii) Publicly Available Information need not state:

(a) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned by the Reference Entity; and

(b) that the relevant occurrence:

(1) has met the Payment Requirement or Default Requirement;

(2) is the result of exceeding any applicable Grace Period; or

(3) has met the subjective criteria specified in certain Credit Events.

(iv) In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both sub-paragraphs (i) and (ii) of the definition of "Repudiation/Moratorium".

"**Put Option Notice**" means a notice that must be delivered to a relevant Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder pursuant to "*– Redemption and Purchase – Redemption at the Option of the Noteholders*".

"**Put Option Receipt**" means a receipt issued by a relevant Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder pursuant to "*– Redemption and Purchase – Redemption at the Option of the Noteholders*".

"**Qualifying Affiliate Guarantee**" means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of the Reference Entity.

"**Qualifying Guarantee**" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

(i) 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

(ii) 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:

(a) by payment;

(b) by way of Permitted Transfer;

(c) by operation of law;

(d) due to the existence of a Fixed Cap; or

(e) due to:

(1) provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the relevant Pricing Supplement; or

(2) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the relevant Pricing Supplement.

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:

(A) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and

(B) 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 relation to a Reference Entity. If no such requirements are specified, there shall be no Qualifying Participation Seller.

"**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 (as defined below) of an instrument that constitutes Borrowed Money (modified as set forth below) (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). The benefit of a Qualifying Policy must be capable of being Delivered together with the Delivery of the Insured Instrument.

"**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.

"**Quotation**" means, in respect of a Valuation Obligation or Undeliverable Asset, as the case may be, each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable, of the Valuation Obligation or Undeliverable Asset, as applicable, with respect to a Relevant Valuation Date in the manner that follows:

(i) The relevant Calculation Agent shall attempt to obtain Full Quotations with respect to each Relevant Valuation Date from five or more CLN Dealers. If the relevant Calculation Agent is unable to obtain two or more such Full Quotations on the same CLN Business Day within three CLN Business Days of a Relevant Valuation Date, then on the next following CLN Business Day (and, if necessary, on each CLN Business Day thereafter until the tenth CLN Business Day following the Relevant Valuation Date) the relevant Calculation Agent shall attempt to obtain Full Quotations from five or more CLN Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.

(ii) If the relevant Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same CLN Business Day on or prior to the tenth CLN Business Day following the applicable Relevant Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a CLN Dealer at the Valuation Time on such tenth CLN Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations for the Valuation Obligation or Undeliverable Asset, as applicable, obtained from CLN Dealers at the Valuation Time on such tenth CLN 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.

"**Quotation Amount**" means:

(i) with respect to a Valuation Obligation, the applicable Valuation Obligation Amount (or its equivalent in the relevant Obligation Currency converted by the relevant Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained);

(ii) with respect to each type or issue of Undeliverable Asset, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as (i) above) of such Undeliverable Asset.

"**Quotation Time**" has the meaning given in the relevant Pricing Supplement.

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of the Indenture and/or the relevant Pricing Supplement.

"**Record Date**" in the case of Global Registered Notes, has the meaning given in "*Form, Denomination and Title – Global Notes – Conditions applicable to Global Bearer Notes and Global Registered Notes*" and, in the case of Registered Notes, has the meaning given in "*Payments – Registered Notes*".

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Make Whole Redemption Price, the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement.

"**Redemption Margin**" means the figure specified in the relevant Pricing Supplement.

"**Reference Banks**":

(i) in respect of Notes other than CMS Rate Notes, means four major banks selected by the Issuer in the market that is most closely connected with the Reference Rate;

(ii) in respect of CMS Rate Notes, has the meaning given in "*Floating Rate Note and Index-Linked Note Provisions – CMS Rate Determination for CMS Rate Notes*"; and

(iii) in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market, in each case selected by the Issuer or has the meaning given in the relevant Pricing Supplement.

"**Reference Bond**" means the bond specified in the relevant Pricing Supplement or, if not so specified or to the extent that such Reference Bond specified in the relevant Pricing Supplement is no longer outstanding on the relevant Reference Date, the DA Selected Bond.

"**Reference Bond Price**" means, with respect to any Reference Bond and any Reference Date, (i) if at least five Reference Government Bond Dealer Quotations are received, the arithmetic average of the Reference Government Bond Dealer Quotations for such Reference Date, after excluding the highest (or in the event of equality, one of the highest) and lowest (or in the event of equality, one of the lowest) such Reference Government Bond Dealer Quotations, or (ii) if fewer than five such Reference Government Bond Dealer Quotations are received, the arithmetic average of all such quotations.

"**Reference Bond Rate**" means, with respect to any Reference Bond and any Reference Date, the rate per annum equal to the annual or semi-annual yield to maturity (as the case may be) or interpolated yield to maturity (on the relevant day count basis, as determined by the Determination Agent) of the Notes, assuming a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Reference Date.

"**Reference Date**" means the date falling three London Business Days prior to the Optional Redemption Date (Call).

"**Reference Entity**" or "**Reference Entities**" means the reference entity or reference entities specified in the relevant Pricing Supplement. Any Successor to a Reference Entity either:

(i) identified by the relevant Calculation Agent in accordance with the definition of "Successor" on or following the Trade Date; or

(ii) identified pursuant to a DC Resolution in respect of a Succession Event 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 a Reference Entity for the Credit Linked Notes, as the terms of which may be modified pursuant to the provisions described in "*—Additional Terms for Credit Linked Notes—Succession*".

"**Reference Entity Notional Amount**" means:

(i) with respect to Credit Linked Notes other than Nth-to-Default Credit Linked Notes, in relation to each Reference Entity, the amount in which the Issuer has purchased credit protection in respect of such Reference Entity, as set out in the relevant Pricing Supplement (or, if no such amount is specified, the aggregate outstanding principal amount of the Credit Linked Notes divided by the number of Reference Entities); and

(ii) with respect to Nth-to-Default Credit Linked Notes, the aggregate outstanding principal amount of the Credit Linked Notes; and

(iii) with respect to Basket Credit Linked Notes, and only if so specified in the relevant Pricing Supplement, in relation to each Reference Entity, the Basket CLN Reference Entity Notional Amount,

in each case, subject to the provisions described in "*—Additional Terms for Credit Linked Notes—Succession*".

"**Reference Government Bond Dealer**" means each of five banks selected by the Issuer (following, where practicable, consultation with the Determination Agent, if one is appointed), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues.

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and any Reference Date, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount): (a) which appear on the Relevant Make Whole Screen Page as at the Quotation Time on the Reference Date; or (b) to the extent that in the case of (a) above either such bid and offered prices do not appear on that page, fewer than two such bid and offered prices appear on that page, or if the Relevant Make Whole Screen Page is unavailable, then as quoted in writing to the Determination Agent by such Reference Government Bond Dealer.

"**Reference Index**" means the index specified as such in the relevant Pricing Supplement.

"**Reference Index Publisher**" means the publisher specified as such in the relevant Pricing Supplement.

"**Reference Index Sponsor**" means the sponsor specified as such in the relevant Pricing Supplement.

"**Reference Obligation**" means the Standard Reference Obligation, if any, unless:

(i) "Standard Reference Obligation" is specified as not applicable in the relevant Pricing Supplement, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or

(ii) (a) "Standard Reference Obligation" is specified as applicable in the relevant Pricing Supplement (or no election is specified in the relevant Pricing Supplement), (b) there is no Standard Reference Obligation and (c) a Non-Standard Reference Obligation is specified in the relevant Pricing Supplement, in which case the Reference Obligation will be (1) the Non-Standard Reference

Obligation to but excluding the first date of publication of the Standard Reference Obligation and (2) 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**" means any obligation that is a Reference Obligation and no Obligation Characteristics or, as the case may be, Deliverable Obligation Characteristics shall be applicable where Reference Obligation Only applies.

"**Reference Obligation Only Trade**" means the relevant Notional Credit Derivative Transaction for a Reference Entity in respect of which (a) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation Category for such Reference Entity in the relevant Pricing Supplement and (b) "Standard Reference Obligation" is specified as not applicable for such Reference Entity in the relevant Pricing Supplement.

"**Reference Portfolio**" means, in respect of a Basket CLN, the basket of Reference Entities applicable to such Credit Linked Notes, as specified in the relevant Pricing Supplement.

"**Reference Price**" has the meaning given in the relevant Pricing Supplement.

"**Reference Rate**" means CNH HIBOR, EURIBOR, BBSW, SONIA, SOFR or such other rate as specified in the relevant Pricing Supplement in respect of the currency and period specified in the relevant Pricing Supplement.

"**Registrar**" means (a) in respect of Notes other than CMU Notes, the ICSD Registrar; or (b) in respect of CMU Notes, the CMU Registrar. For the avoidance of doubt, references to the "**relevant Registrar**" shall mean, in the context of Notes other than CMU Notes, the ICSD Registrar or, in the context of CMU Notes, the CMU Registrar.

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by the Principal Paying Agent in respect of Notes other than CMU Notes or the CMU Lodging and Paying Agent in respect of CMU Notes (as applicable) on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

"**Relevant Guarantee**" means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in the relevant Pricing Supplement, a Qualifying Guarantee.

"**Relevant Make Whole Screen Page**" means the page, section or other part of a particular information service (or any successor or replacement page, section or other part of a particular information service, including, without limitation, Bloomberg) specified as the Relevant Make Whole Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Determination Agent for the purpose of displaying comparable relevant bid and offered prices for the Reference Bond.

"**Relevant Noteholder**" 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:

(i) subject to sub-paragraph (ii) below, 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 relevant Calculation Agent shall, for purposes of the determination required to be made under sub-paragraph (i) of the definition of "Successor", 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" and "Senior Transaction" are specified as applicable in the relevant Pricing Supplement, 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" and "Subordinated Transaction" are specified as applicable in the relevant Pricing Supplement, 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 "Senior Transaction" were specified as applicable in the relevant Pricing Supplement; or

(ii) where "LPN Reference Entity" is applicable to a Reference Entity, each of the obligations listed as a Reference Obligation of such Reference Entity in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at http://www.markit.com/marketing/services.php, any Additional LPN, and each Additional Obligation.

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, but not limited to, Reuters and Bloomberg), as may be specified as the Relevant Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

"**Relevant Time**" has the meaning given in the relevant Pricing Supplement.

"**Relevant Valuation Date**" means the Valuation Date or Undeliverable Valuation Date, as the case may be.

"**Remaining Term**" means the term to maturity or, if a Par Redemption Date is specified in the relevant Pricing Supplement, to such Par Redemption Date.

"**Renminbi**" means the lawful currency of the PRC.

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong.

"**Replacement Reference Entity**" means an entity selected by the relevant Calculation Agent in its discretion which is incorporated in the same geographical area and has the same Transaction Type as the Legacy Reference Entity, and which is of a similar or better credit quality than the Legacy Reference Entity, as measured by S&P Global Ratings, acting through Standard & Poor's Financial Services LLC and/or by Moody's Investors Service, Inc., at the date of the relevant succession **provided that** in selecting any Replacement Reference Entity, the relevant Calculation Agent is under no obligation to the Noteholders, the Issuer or any other person and, **provided that** the Successor selected meets the criteria specified above, is entitled, and indeed will endeavor, to select the least credit-worthy of the Successors. In making any selection, the relevant Calculation Agent will not be liable to account to the Noteholders, the Issuer or any other person for any profit or other benefit to it or any of its Affiliates which may result directly or indirectly from any such selection.

"**Repudiation/Moratorium**" means the occurrence of both of the following events:

(i) an authorized officer of the Reference Entity or a Governmental Authority:

(a) 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

(b) 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

(ii) 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 Date:

(i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the later of:

(a) the date that is 60 days after the date of such Potential Repudiation/Moratorium; and

(b) 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

(ii) 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,

provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Maturity Date unless the Repudiation/Moratorium Extension Condition is satisfied.

"**Repudiation/Moratorium Extension Condition**" means a condition which is satisfied (a) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is 14 calendar days after the Scheduled Maturity Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Notional Credit Derivative Transaction has occurred with respect to an Obligation of the relevant Reference Entity and that such event occurred on or prior to the Scheduled Maturity Date, or (b) otherwise, by the delivery by the Issuer to the relevant Calculation Agent and Noteholders of a Repudiation/Moratorium Extension Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the relevant Pricing Supplement, a Notice of Publicly Available Information that are each effective on or prior to the date that is 14 calendar days after the Scheduled Maturity Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (i) an event does not constitute a Potential Repudiation/Moratorium for purposes of the relevant Notional Credit Derivative Transaction with respect to an Obligation of the relevant Reference Entity, or (ii) an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Notional Credit Derivative

Transaction has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Scheduled Maturity Date.

"**Repudiation/Moratorium Extension Notice**" means an irrevocable notice from the Issuer to the relevant Calculation Agent and Noteholders that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Maturity Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

"**Reserved Matter**" means any proposal:

(i) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;

(ii) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed (other than as permitted under "*Substitution*");

(iii) to change the currency in which amounts due in respect of the Notes are payable;

(iv) to change the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution;

(v) to modify any provision of the Guarantee that would adversely affect any Holder; or

(vi) to amend this definition.

"**Resolve**" has the meaning given to that term in the DC Rules, and "**Resolved**" and "**Resolves**" shall be interpreted 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**" means:

(i) 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 such Obligation to bind all holders of the 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:

(a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (or, in respect of Insured Instruments, a reduction in the rate of the amount of the Instrument Payments described in part (A)(x) of the definition thereof that are guaranteed or insured by the Qualifying Policy) (including by way of redenomination);

(b) a reduction in the amount of principal or premium payable at redemption (or, in respect of Insured Instruments, a reduction in the rate of the amount of the Instrument Payments described in part (A)(y) of the definition thereof that are guaranteed or insured by the Qualifying Policy) (including by way of redenomination);

(c) a postponement or other deferral of a date or dates for either (1) the payment or accrual of interest, or (2) the payment of principal or premium (or, in respect of Insured Instruments, a reduction in the rate of the amount of the Instrument Payments described in part (A)(x)

or part (A)(y) of the definition thereof, in each case as guaranteed or insured by the Qualifying Policy);

(d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation (or, in respect of Insured Instruments, a change in the ranking in priority of payments of (A) any Obligation under a Qualifying Policy in respect of Instrument Payments causing the Subordination of such Obligation to any other Obligation, or (B) 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

(e) any change in the currency of any payment of interest, principal or premium (or, in respect of Insured Instruments, any change in the currency of Instruments 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) Notwithstanding the provisions of sub-paragraph (i) above, none of the following shall constitute a Restructuring:

(a) 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 by the Treaty on European Union;

(b) the redenomination from euros into another currency, if (1) 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 (2) 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;

(c) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (i)(a) to (e) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(d) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (i)(a) to (e) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, **provided that** in respect of sub-paragraph (i)(e) 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 (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 to the ranking in the priority of payment of the Qualifying Policy).

For purposes of sub-paragraphs (i) and (ii) above and the definition of "Multiple Noteholder Obligation", the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee Obligation and Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Guarantee Obligation and an Underlying

Obligation, or a Qualifying Policy and an Insured Instrument, references to the Reference Entity in sub-paragraph (i) above shall be deemed to refer to the Underlying Obligor or Insured Obligor (as applicable), and the reference to the Reference Entity in sub-paragraph (ii) above shall continue to refer to the Reference Entity.

If an exchange has occurred, the determination as to whether one of the events described under sub-paragraphs (i)(A) to (E) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

"**Restructuring Date**" means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Restructuring Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date; **provided that**, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a "**Latest Maturity Restructured Bond or Loan**") and the Scheduled Maturity Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan. For the purposes of the foregoing definition, "final maturity date" shall, in relation to a Qualifying Policy and an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

"**Reverse Dual Currency Redemption Rate of Exchange**" means the bid spot exchange rate for the Equivalent Currency/Specified Currency which appears on the Reverse Dual Currency Redemption Relevant Screen Page (as specified in the relevant Pricing Supplement) at or around the Reverse Dual Currency Redemption Relevant Time (as specified in the relevant Pricing Supplement) on the Redemption Pricing Date (as specified in the relevant Pricing Supplement), as determined by the relevant Calculation Agent (or, if the Reverse Dual Currency Redemption Rate of Exchange does not appear on the Reverse Dual Currency Redemption Relevant Screen Page at the Reverse Dual Currency Redemption Relevant Time, the Reverse Dual Currency Redemption Rate of Exchange will be determined by the Issuer in its sole discretion acting in a commercially reasonable manner).

"**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:

(i) 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, as the relevant Calculation Agent shall determine in a commercially reasonable manner.

"**Scheduled Maturity Date**" means the date specified as such in the relevant Pricing Supplement which shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the relevant Pricing Supplement.

"**Senior Obligation**" means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Seniority Level**" means, with respect to an obligation of the Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in the relevant Pricing Supplement, or (b) if no such seniority level is specified in the relevant Pricing Supplement, "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 relevant Pricing Supplement, or if no currency is so specified in the relevant Pricing Supplement, the Specified Currency.

"**Settlement Method**" means the settlement method specified as such in the relevant Pricing Supplement and if no Settlement Method is specified in the relevant Pricing Supplement, Auction Settlement.

"**Short Notional Credit Derivative Transaction**" shall have the meaning of a Notional Credit Derivative Transaction, except (i) the notional amount is the Reference Entity Notional Amount for the Short Reference Entity and (ii) the Reference Entity is the Short Reference Entity.

"**Short Reference Entity**" means the entity specified as such in the relevant Pricing Supplement;

"**Single Reference Entity CLN**" means Credit Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of only one Reference Entity.

"**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 provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the Credit Event Notice or DC Credit Event Announcement has occurred and (b) which fell within the paragraph (a) of the definition "Deliverable Obligation" immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Sovereign Succession Event**" means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

"**Specified Currency**" has the meaning given in the relevant Pricing Supplement.

"**Specified Denomination(s)**" has the meaning given in the relevant Pricing Supplement.

"**Specified Office**" has the meaning given in the Indenture.

"**Specified Period**" has the meaning given in the relevant Pricing Supplement.

"**Spot Rate**" means, on any date, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the relevant Calculation Agent at or around 11 a.m. (Hong Kong time) on the Spot Rate Determination Date on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the relevant Calculation Agent will determine the Spot Rate at or around 11 a.m. (Hong Kong time) on the Spot Rate Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

"**Spot Rate Determination Date**" means, in relation to any payment in respect of Renminbi Notes, the day which is two Determination Business Days before the due date for such payment under "*Renminbi denominated Notes – Payment of U.S. Dollar Equivalent*".

"**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, in respect of a Reference Entity, the obligation of such Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List,

as determined by the relevant Calculation Agent in its sole discretion. If, in the determination of the relevant Calculation Agent, the Standard Reference Obligation for a Reference Entity is removed from the SRO List, such obligation shall cease to be the Reference Obligation for such Reference Entity (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) and there shall be no Reference Obligation for such Reference Entity unless and until, in the determination of the relevant Calculation Agent, such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of such Reference Entity shall constitute the Reference Obligation for such Reference Entity.

"**Standard Specified Currency**" means each of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

"**Steps Plan**" means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

"**Subordinated Obligation**" means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

"**Subordination**" means, with respect to an obligation (the "**Second Obligation**") and another obligation of the Reference Entity to which such obligation is being compared (the "**First Obligation**"), a contractual, trust or similar arrangement providing that (a) upon the liquidation, dissolution, reorganization or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation, or (b) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. "**Subordinated**" will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (i) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (ii) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**"):

(i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or

(ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person.

"**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 original Reference Obligation, determined by the relevant Calculation Agent as follows:

(i) The relevant Calculation Agent shall identify the Substitute Reference Obligation in accordance with sub-paragraphs (i), (iv) and (v) below to replace the original Reference Obligation; **provided that** the relevant 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 such DC Resolution.

(ii) If any of the events set forth under sub-paragraphs (i) or (iii) 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 (iii)(B) below). If the event set forth in sub-paragraph (ii) 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.

(iii) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:

(a) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee or Qualifying Policy);

(b) 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

(c) if:

(1) the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:

(A) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (i) of the definition of "Deliverable Obligation"; or if no such obligation is available,

(B) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (i) of the definition of "Deliverable Obligation";

(2) the original 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:

(A) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(B) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (i) of the definition of "Deliverable Obligation"; or if no such obligation is available,

(C) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(D) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (i) of the definition of "Deliverable Obligation"; or

(3) the original Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:

(A) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

(B) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,

(C) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (i) of the definition of "Deliverable Obligation"; or if no such obligation is available,

(D) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (i) of the definition of "Deliverable Obligation".

(iv) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (iii), 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 Credit Linked Notes, as determined by the relevant Calculation Agent. The relevant 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 (iii) and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.

(v) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the relevant Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation, then, subject to sub-paragraph (i) and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with sub-paragraph (ii), the relevant Calculation Agent shall use reasonable commercial efforts to continue to attempt to identify the Substitute Reference Obligation.

"**Substitution Date**" means, with respect to a Substitute Reference Obligation, the date on which the relevant Calculation Agent notifies the Issuer and the Noteholders that such Substitute Reference Obligation has been identified in accordance with the definition of "Substitute Reference Obligation".

"**Substitution Event**" means, with respect to the Non-Standard Reference Obligation:

(i) the Non-Standard Reference Obligation is redeemed in whole;

(ii) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below U.S.$10 million (or its equivalent in the relevant Obligation Currency, as determined by the relevant Calculation Agent); or

(iii) 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 or Qualifying Policy),

and for the purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP number or ISIN or other similar identifier will not, in and of itself, constitute a Substitution Event.

If an event described in sub-paragraphs (i) or (ii) above has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to sub-paragraphs (i) or (ii) above, as the case may be, on the Trade Date.

"**Substitution Event Date**" means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

"**Succession Date**" means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of a Reference Entity; **provided that** if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (a) the date on which a determination of the relevant Calculation Agent in accordance with sub-paragraph (i) of the definition of "Successor" would not be affected by any further related successions in respect of such Steps Plan, or (b) the occurrence of an Event Determination Date in respect of such Reference Entity or any entity which would constitute a Successor.

"**Successor**" means:

(i) subject to sub-paragraph (iii) below, in relation to any Reference Entity, the entity or entities determined as follows:

(a) subject to sub-paragraph (g) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee or Qualifying Policy, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor in respect of the relevant Reference Entity;

(b) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee or Qualifying Policy, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor in respect of the relevant Reference Entity;

(c) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee or Qualifying Policy, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor in respect of the relevant Reference Entity;

(d) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee or Qualifying Policy, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and more than twenty-five 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;

(e) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee or Qualifying Policy, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such succession;

(f) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee or Qualifying Policy, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor **provided that** if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor; and

(g) 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 (1) the Reference Entity has ceased to exist, or (2) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor in respect of the relevant Reference Entity.

(ii) The relevant Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the existence of the relevant Successor, any Successor or Successors; **provided that** the relevant 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.

The relevant Calculation Agent will make all calculations and determinations required to be made in relation to the determination of any Successor or Successors 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 relevant Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

(iii) An entity may only be a Successor if:

(a) either (1) the related Succession Date occurs on or after the Successor Backstop Date, or (2) such entity is a Universal Successor in respect of which the Succession Date occurred on or after 1 January 2014;

(b) 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

(c) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

(iv) For purposes of this definition of "Successor", "**succeed**" means, with respect to a Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (a) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (b) issues Bonds or incurs Loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee or Qualifying Policy 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.

(v) In the case of an exchange offer, the determination required pursuant to the sub-paragraph (i) 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.

(vi) 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 or Qualifying Policy, then (a) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (b) if the Joint Relevant Obligation was a Relevant Guarantee or Qualifying Policy, 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 or provider of a Qualifying Policy, if any, or otherwise by each Joint Potential Successor in equal parts.

"**Successor Backstop Date**" means for purposes of any Successor, the date that is ninety calendar days prior to the Trade Date, **provided, however, that** the Successor Backstop Date may be adjusted by the relevant Calculation Agent using its discretion in order to match any Hedge Transaction. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system.

"**Talon**" means a talon for further Coupons.

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in euro.

"**Trade Date**" means the date specified as such in the relevant Pricing Supplement.

"**Tranche**" means all Notes of the same Series with the same Issue Date and Interest Commencement Date.

"**Transaction Auction Settlement Terms**" means, in respect of any Reference Entity and a related Credit Event, the Credit Derivatives Auction Settlement Terms published by (or by a third party on behalf of) ISDA in respect of such Credit Event and in respect of which the relevant Notional Credit Derivative Transaction would be an Auction Covered Transaction.

"**Transaction Type**" means, unless otherwise specified in the relevant Pricing Supplement, each "Transaction Type" specified as such in the Physical Settlement Matrix from time to time.

"**Transfer Agents**" means (a) in respect of Notes other than CMU Notes, the ICSD Transfer Agents; or (b) in respect of CMU Notes, the CMU Transfer Agents. For the avoidance of doubt, references to a "**relevant Transfer Agent**" shall mean, in the context of Notes other than CMU Notes, the relevant ICSD Transfer Agent or, in the context of CMU Notes, the relevant CMU Transfer Agent.

"**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:

(i) 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);

(ii) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or

(iii) restrictions in respect of blocked periods on or around payment dates or voting periods.

"**Treaty**" means the Treaty on the Functioning of the European Union, as amended.

"**U.S. Dollar Equivalent**" means, in relation to any Renminbi amount payable under the Notes on any date, such Renminbi amount converted into U.S. Dollars using the Spot Rate for the Spot Rate Determination Date.

"**Undeliverable Asset**" means an Undeliverable Obligation, Undeliverable Loan Obligation, Unassignable Obligation, Undeliverable Participation, Non-Deliverable Obligation or an obligation which the Issuer has been unable to Deliver to the relevant Noteholder as described in paragraph (b)(ii) of "*—Additional Terms for Credit Linked Notes—Restructuring Credit Event—Mod Mod R*".

"**Undeliverable Valuation Date**" means the date that is up to 15 CLN Business Days (as selected by the relevant Calculation Agent in its sole and absolute discretion) after the Latest Permissible Physical Settlement Date or, as applicable, the Extended Physical Settlement Date.

"**Underlying Finance Instrument**" means where the LPN Issuer provides finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument.

"**Underlying Loan**" means a loan advanced to the Reference Entity by an LPN Issuer.

"**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.

"**United Kingdom**" and "**UK**" mean the United Kingdom of Great Britain and Northern Ireland.

"**United States**" and "**U.S.**" mean, unless otherwise specified with respect to any particular Series of Notes, the United States of America, its territories and possessions and other areas subject to its jurisdiction.

"**United States Alien**" means a beneficial owner of Notes that is for United States federal income tax purposes:

(i) an individual who is not a citizen or resident of the United States;

(ii) a foreign corporation; or

(iii) a foreign estate or trust.

"**Unwind Costs**" means,

(i) if "Standard Unwind Costs" are specified in the relevant Pricing Supplement (or in the absence of any such specification), an amount, subject to a minimum of zero, determined by the relevant Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the redemption of the Credit Linked Notes and the related termination, settlement or re-establishment of any Hedge Transaction, such amount to be apportioned *pro rata* amongst the principal amount of each Credit Linked Note outstanding; or

(ii) such other amount as specified in the relevant Pricing Supplement.

"**Valuation Date**" means any CLN Business Day falling in the period between the 5th and the 122nd CLN Business Day following the Event Determination Date, or, following any Auction Cancellation Date or No Auction Announcement Date, such later CLN Business Day selected by the relevant Calculation Agent, (in each case, as selected by the relevant Calculation Agent in its sole and absolute discretion).

"**Valuation Obligation**" means, in respect of a Reference Entity, notwithstanding anything to the contrary in the provisions of these Credit Linked Terms, (a) the Reference Obligation or (b) any obligation of such Reference Entity (either directly or as provider of a Qualifying Guarantee or, as the case may be, Qualifying Affiliate Guarantee), which would constitute a "Deliverable Obligation" if Physical Settlement were the applicable Settlement Method, as selected by the Issuer in its sole and absolute discretion on the applicable Valuation Date; **provided that**, for such purpose any reference to the words "Delivery Date" in the definitions of "Conditionally Transferable Obligation", "Deliverable Obligation", within any of the terms comprising "Deliverable Obligation Category" or "Deliverable Obligation Characteristic" and "Due and Payable Amount" shall be deemed to be a reference to the words "Relevant Valuation Date".

"**Valuation Obligations Portfolio**" means one or more Valuation Obligations of a Reference Entity selected by the relevant Calculation Agent in its discretion, each in an Outstanding Principal Balance (each, a "Valuation Obligation Amount") selected by the relevant Calculation Agent in its sole and absolute discretion **provided that** the aggregate of such Outstanding Principal Balances (or in each case the equivalent in the Specified Currency thereof (converted at the foreign exchange rate prevailing on any date from (and including) the Event Determination Date to (and including) the Valuation Date, as selected by the relevant Calculation Agent in its sole and absolute discretion)), shall not exceed the relevant Reference Entity Notional Amount.

"**Valuation Time**" means the time specified in relation to a Reference Entity or, if no time is so specified, 11:00 a.m. in the principal trading market for the relevant Valuation Obligation or Undeliverable Asset, as the case may be.

"**Voting Shares**" means those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

"**Weighted Average Final Price**" means the weighted average of the Final Prices determined for each selected Valuation Obligation in the Valuation Obligations Portfolio on the applicable Valuation Date, weighted by the Currency Amount of each such Valuation Obligation (or its equivalent in the Settlement Currency, converted by the relevant Calculation Agent, in a commercially reasonable manner, by reference to exchange rates in effect at the time of such determination).

"**Weighted Average Quotation**" means the weighted average of firm bid quotations obtained from CLN Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Valuation Obligation or Undeliverable Asset, as the case may be, 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 of a size at least equal to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

"**Zero Coupon Note**" means a Note specified as such in the relevant Pricing Supplement.

FORM OF PRICING SUPPLEMENT

[**EU MiFID II product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU, as amended ("**EU MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Include reference to any negative target market, if required*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law of the United Kingdom (the "**UK**") by virtue of the European Union (Withdrawal) Act 2018, as amended [(the "**EUWA**")] ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Include reference to any negative target market, if required*]. Any [person subsequently offering, selling or recommending the Notes (a "**distributor**")//distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**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 (the "**EEA**"). For these purposes, a 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 [Directive 2014/65/EU, as amended ("**EU MiFID II**")/EU MiFID II]; (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended. Consequently no key information document required by Regulation (EU) No 1286/2014 (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.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the [United Kingdom ("**UK**")/UK]. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the [European Union (Withdrawal) Act 2018, as amended (the "**EUWA**")/EUWA]; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no [key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**")][1]/[disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**")][2] for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the [UK PRIIPs Regulation]/ [DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024].]

[**SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION** – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures

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1 Include bracketed language pre-6 April 2026.

2 Include bracketed language from 6 April 2026.

Act 2001 of Singapore (as modified or amended from time to time, the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"]/["capital markets products other than prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore).][3]

Pricing Supplement dated [•]

WELLS FARGO FINANCE LLC

Issue of [*Currency*] [*Aggregate Principal Amount of Tranche*] [*Title of Notes*] Notes due [•]
Fully and Unconditionally Guaranteed by Wells Fargo & Company
under the U.S.$5,000,000,000
Euro Medium Term Note Programme

Part A — CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the "*Description of the Notes*" set forth in the Information Memorandum dated 27 March 2026 [and the supplemental Information Memorandum dated [*date*]] ([together,] the "**Information Memorandum**"). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Information Memorandum.

Full information on the Issuer, the Guarantor and the offer of the Notes described herein is only available on the basis of the combination of this Pricing Supplement and the Information Memorandum. Copies of the Information Memorandum may be obtained from Wells Fargo Finance LLC and Wells Fargo & Company during normal business hours from Wells Fargo & Company, Office of the Corporate Secretary, Wells Fargo Center, MAC N9305-179, Sixth and Marquette, Minneapolis, Minnesota 55402, United States of America.]

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an information memorandum with an earlier date.*]

[Terms used herein shall be deemed to be defined as such for the purposes of the "*Description of the Notes*" set forth in the Information Memorandum dated [17 September 2018]/[19 October 2023] [and the supplemental Information Memorandum dated [•] which are incorporated by reference in the Information Memorandum dated 27 March 2026]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Information Memorandum dated 27 March 2026 [and the supplemental Information Memorandum dated [•]] ([together,] the "**Information Memorandum**"), save in respect of the conditions from the Information Memorandum dated [•] [and the supplemental Information Memorandum to it dated [•]].

Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Information Memorandum. Copies of the Information Memorandum may be obtained from Wells Fargo Finance LLC and Wells Fargo & Company during normal business hours from Wells Fargo & Company, Office of the Corporate Secretary, Wells Fargo Center, MAC N9305-179, Sixth and Marquette, Minneapolis, Minnesota 55402, United States of America.]

In accordance with Regulation (EU) 2017/1129, as amended and the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook of the FCA Handbook (the "**PRM Sourcebook**") made by the UK Financial Conduct Authority (the "**FCA**") in accordance with the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**"), no prospectus is required in connection with the issuance of the Notes described herein.

[***Include whichever of the following apply or specify as "Not Applicable" ("N/A"). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.***]

[As a Noteholder, you will take an implied long position on the Long Reference Entity and an implied short position on the Short Reference Entity (each as defined in the Appendix to this Pricing Supplement), as if

[3] Prescribed capital markets products notification to be made by way of Bloomberg launch announcement or otherwise before an offer of Notes is made.

you are selling protection on the Long Reference Entity under a credit derivative transaction in an amount equal to the Reference Entity Notional Amount with respect to the Long Reference Entity for the term of the Notes and simultaneously buying protection on the Short Reference Entity for an amount equal to the Reference Entity Notional Amount with respect to the Short Reference Entity for the same duration. Any loss you may incur is capped at an amount equal to your investment in the Notes. However, the notional amount of such implied long or short position is a function of the relevant Reference Entity Notional Amount. Your return may be affected by (i) whether a Credit Event occurs prior to the CLN Maturity Date with respect to none, both, or only one of these Reference Entities and (ii)(x) any difference in the market values of the obligations of the Reference Entities or (y) by the market values of the obligations of a Reference Entity and the termination value of your implied credit position with respect to the other Reference Entity, as applicable. If a Credit Event does not occur with respect to both of these Reference Entities prior to the CLN Maturity Date and the Notes have not been otherwise redeemed, the Issuer will pay you an amount equal to your pro rata share of the outstanding principal amount of the Notes (together with interest, if any, payable thereon) on the CLN Maturity Date. If a Credit Event occurs (and the Conditions to Settlement are satisfied) with respect to one or both of these Reference Entities prior to the CLN Maturity Date, the Notes will be subject to redemption. The payment to be made by the Issuer (if any) upon such redemption will be affected by any difference in the market values of the obligations of the Reference Entities if a Credit Event has occurred with respect to both Reference Entities. Otherwise, that payment will be affected by the market values of the obligations of the Reference Entity in respect of which a Credit Event has occurred and the termination value of, and any Unwind Costs related to, your implied credit position with respect to the other Reference Entity. [In addition, if the Reference Entity Notional Amount with respect to any Reference Entity exceeds the aggregate outstanding principal amount of the Notes, any gains or losses may be magnified as a result of such excess upon the occurrence of a Credit Event with respect to any Reference Entity or other early redemption of the Notes.]][4]

[The Notes are Basket CLNs where the Issuer purchases credit protection from the Noteholders in respect of a basket (the "**CLN Basket**") of Reference Entities (other than on an Nth-to-default basis) that replicates [•] Index (the "**Reference Index**"). The Reference Index is composed of [•] entities [with investment grade credit ratings] that trade in the credit default swap market, with each entity having [equal or approximately equal weightings][•]. The CLN Basket is composed entirely of the Reference Entities that are the [•] entities constituting the Reference Index[, with the weighting of each Reference Entity in the CLN Basket being the same as the weighting of such entity in the Reference Index]. The Reference Index Annex listing each Reference Entity and the weighting applicable to such entity in the Reference Index is included as Exhibit A hereto (the "**Reference Index Annex**").

As a Noteholder, you will be exposed to the credit of each Reference Entity in the CLN Basket, as though you have sold credit protection to the Issuer on each Reference Entity separately. Your exposure to the credit of each Reference Entity will be the part of your investment in the Notes that is attributable to such Reference Entity based on the weighting of such Reference Entity in the CLN Basket. Accordingly, if a Credit Event occurs (and the Conditions to Settlement are satisfied) with respect to any Reference Entity prior to the CLN Maturity Date, the relevant portion of the Aggregate Principal Amount that is attributable to such Reference Entity based on its weighting in the CLN Basket will be redeemed (as described in "*Description of the Notes — Redemption — Redemption following Satisfaction of Conditions to Settlement*" in the Credit Linked Terms), and the Notes will otherwise continue in effect with respect to each other Reference Entity until the CLN Maturity Date (subject to the occurrence of a Credit Event (and the satisfaction of the Conditions to Settlement) with respect to any of those other Reference Entities prior to the CLN Maturity Date) (as described in "*Description of the Notes — General — Basket CLNs*" in the Credit Linked Terms).][5]

1.	Issuer		Wells Fargo Finance LLC
2.	Guarantor		Wells Fargo & Company
3.	(i)	Series Number:	[•]
	(ii)	Tranche Number:	[•]

[4] Include bracketed language if Notes are CDS Spread Credit Linked Notes.

[5] Include bracketed language if Notes are Basket Credit Linked Notes referencing an Index.

	(iii) Date on which the Notes become fungible:	[Not Applicable]/[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [[•]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [34] below [which is expected to occur on or about [•]]].]
4.	Specified Currency or Currencies:	[•]
	[(i) Equivalent Currency:	[•]]
5.	Aggregate Principal Amount:	[•]
	[(i) Series:	[•]]
	[(ii) Tranche:	[•]]
	[(iii) Equivalent Aggregate Principal Amount:]	
	• [Series:	[•]]
	• [Tranche:	[•]]
6.	Issue Price:	[•] per cent. of the Aggregate Principal Amount [plus accrued interest from [•]]
7.	(i) Specified Denominations:	[[•] and integral multiples of [•] in respect thereof]/[•]
	(ii) Calculation Amount:[6]	[•]
	[(iii) Equivalent Calculation Amount:	[•]]
8.	(i) Issue Date:	[•]
	(ii) Interest Commencement Date:	[•]/[Issue Date]/[Not Applicable]
	(iii) CNY Issue Trade Date:	[•]/[Not Applicable]
9.	Maturity Date:	[•] / [Interest Payment Date falling on or nearest to [•]][7]
10.	Interest Basis:	[[•] per cent. Fixed Rate] [[•] [•] [EURIBOR][BBSW][SONIA][SOFR][•] +/– [•] per cent. Floating Rate] [SONIA Compounded Index] [SOFR Compounded Index] [Floating Rate: CMS Rate] [Floating Rate: ISDA Rate]

[6] For Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, the following alternative wording is appropriate: "*Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figures to the nearest CNY0.01, in each case of Renminbi denominated Fixed Rate Notes being rounded upwards*". Note that for Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, it will be necessary to use the second option here.

[7] Note that for Renminbi denominated Fixed Rate Notes, where the Interest Payment Dates are subject to modification, it will be necessary to use the second option here.

[Switch Option]

[Step-up Notes]

[Spread Notes]

[Zero Coupon]

[Index-Linked Interest]

[Equity Linked Notes]

[Other **[*specify*]**]

(*further particulars specified below*)

11.	Redemption/Payment Basis:	[Redemption at par] [Equivalent Currency Redemption provisions are applicable in respect of the Notes]]/[Redemption at [•] per Calculation Amount]/[Dual Currency] [Redemption or repurchase will be subject to required regulatory approval, if any.] [Index-Linked Redemption] [Credit Linked Notes] [Equity Linked Notes] [Dual Currency] [Installment] [Other **[*specify*]**]
12.	Redemption for Hedging Disruption:	[Applicable]/[Not Applicable]
13.	Change of Interest or Redemption/Payment Basis:	[•]/[Not Applicable]
14.	Put/Call Options:	[Put Option] [Call Option] [Clean-up Call Option] [Not Applicable] **[*further particulars specified below*]**
15.	(i) Status of the Notes:	Senior
	(ii) Date of Board approval for issuance of Notes and the Guarantee obtained:	[•]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	Type of Interest:	[Fixed Rate Interest] [Floating Rate Interest] [Zero Coupon] [Fixed/Floating Rate Interest] [Spread Notes]/[Switch Option]

	(i) Interest Payment Date(s):	[[•][, [•], [•] and [•][8]] in each year commencing on [•] up to and including the Maturity Date]/**[*specify other*]** [, subject to adjustment in accordance with the Business Day Convention set out in paragraph [21(iv)]] below]/[Not Applicable]
	(ii) Interest Period End Date:	[•] [Each Interest Payment Date] [Not Applicable]
17.	Switch Option:	[Applicable]/[Not Applicable]
	(i) Switch Exercise Period(s):	Interest Payment Date: [•] Switch Exercise Period (each date inclusive): [•] to [•]
18.	Fixed Rate Note Provisions	[Applicable]/[Applicable for the following Interest Period(s): [***specify***]]/[Applicable subject to exercise of Switch Option]/[Applicable following exercise of Switch Option]/[Not Applicable]
	(i) Rate[(s)] of Interest:	[[•] per cent. per annum payable in arrear on each Interest Payment Date]/[[•] per cent. per annum payable from and including [•] to but excluding [•]] [The Notes are Step-up Notes. The Rate of Interest shall be: [•] for the Interest Period commencing in [*month, year*]; [•] for the Interest Period commencing in [*month, year*]] [[Switch Date:]/[Interest Payment Date:] [•]] [Rate of Interest: [•]]
	(ii) Fixed Coupon Amount[(s)]:	[•] per Calculation Amount
	(iii) Broken Amount(s):	[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•] / [Not Applicable]
	(iv) Day Count Fraction:	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Sterling/FRN]/[Actual/360]/[30/360]/[30E/360]
	(v) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable]/[•]
19.	Floating Rate Note Provisions	[Applicable]/[Applicable for the following Interest Period(s): **[*specify*]**]/[Applicable subject to exercise of Switch Option]/[Applicable following exercise of Switch Option]
	(i) Interest Period(s):	[•]
	(ii) Specified Period:	[•]/[Not Applicable]

[8] Note that for certain Renminbi denominated Fixed Rate Notes, the Interest Payment Dates are subject to modification and the following words should be added: "*provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day*".

(iii)	First Interest Payment Date:	[•]/[Not Applicable]
(iv)	Business Day Convention:	[Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]/[•]
(v)	Additional Business Center(s):	[Not Applicable/[•]]
(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Rate Determination/CMS Rate Determination/other **[*give details*]**]
(vii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[•] shall be the Calculation Agent
(viii)	Screen Rate Determination:	[Applicable/Not Applicable] [***For Highest Rate Notes/Lowest Rate Notes more than one rate may be specified***] [***For Spread Notes specify the following:*** The Notes are Spread Notes. "**A**" shall be / "**B**" shall be: [•]]
	• Reference Rate:	[[•]-month]/[EURIBOR]/[SONIA]/[SOFR]/[COMPOUNDED INDEX]/[CNH HIBOR]/[BBSW]
	• Observation Method:	[Lag]/[Observation Shift]/[Not Applicable]
	• Lag Period:	[5/[ ] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
	• Observation Shift Period:	[5/[ ] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days /Not Applicable] [(***NB: A minimum of 5 should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the relevant Calculation Agent***)]
	• Interest Determination Date(s):	[•]/[The [•] prior to the start of each relevant Interest Period]
	• "p":	[5 London Banking Days]/[5 U.S. Government Securities Business Days]/[•]/[Not Applicable]
	• Relevant Screen Page:	[•]
	• Relevant Time:	[•] [a.m.]/[p.m.] ([•] time)
	• Reference Banks:	[•](*only applicable for CNH HIBOR*)/[Not Applicable]
	• Margin(s):	[[•]+/-]/[[•] per cent. per annum]/[Not Applicable]

[The Notes are Step-up Notes. The Margin shall be: [•] for the Interest Period commencing in [*month, year*]; [•] for the Interest Period commencing in [*month, year*]]

- Rate Multiplier: [•]/Not Applicable]/[•]
- Designated Maturity: [•]/[Not Applicable]

(ix) Index Determination: [Applicable]/[Not Applicable]

- SONIA Compounded Index: [Applicable]/[Not Applicable]
- SOFR Compounded Index: [Applicable]/[Not Applicable]
- Relevant Decimal Place: [[•]/5]
- Relevant Number of Index Days: [•]/[5]/[(***unless otherwise agreed, the Relevant Number shall be 5***)]

(x) CMS Rate Determination: [Applicable]/[Not Applicable] **[*For Highest Rate Notes/Lowest Rate Notes more than one rate may be specified*]** [***For Spread Notes specify the following:*** The Notes are Spread Notes. "**A**" shall be / "**B**" shall be:]

- CMS Reference Rate: [•]
- Interest Determination Date(s): [•]
- Relevant Screen Page: [•]
- Relevant Time: [•]
- Margin(s): [[+/-][•] per cent. per annum][Not Applicable]

  [The Notes are Step-up Notes. The Margin shall be: [•] for the Interest Period commencing in [*month, year*]; [•] for the Interest Period commencing in [*month, year*]]
- Margin Multiplier: [•]/[Not Applicable]
- Designated Maturity: [•] [[•] and [•]]
- CMS Day Count Fraction: [Actual]/Actual (ICMA)]/[Actual/Actual (/ISDA)]/[Actual/365 (Fixed)]/[Sterling]/[FRN\]/[Actual/360]/[30/360]/[30E]/[360]

- CMS Floating Leg Rate: [•] (as defined in the ISDA Definitions)

- ISDA Definitions: 2021 ISDA Definitions

(xi) ISDA Rate Determination: [Applicable]/[Not Applicable] **[*For Highest Rate Notes/Lowest Rate Notes more than one rate may be specified*]** [***For Spread Notes specify the following:*** The Notes are Spread Notes. "**A**" shall be / "**B**" shall be: [•]]

- ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]

- Floating Rate Option: [•]

- Designated Maturity: [•]/[Not Applicable]

  [*A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate*]

- Reset Date: [•]/[As specified in the ISDA Definitions]/[The first day of the relevant Interest Period]

- Compounding: [Applicable/Not Applicable]

  [*If not applicable delete the remaining sub-paragraphs of this paragraph*]

- [Compounding Method: [Compounding with Lookback

  Lookback: [•] Applicable Business Days]

  [Compounding with Observation Period Shift

  Observation Period Shift: [•] Observation Period Shift Business Days

  Observation Period Shift Additional Business Days: [•] / [Not Applicable]]

  [Compounding with Lockout

  Lockout: [•] Lockout Period Business Days

  Lockout Period Business Days: [•]/[Applicable Business Days]]]

- Averaging: [Applicable]/[Not Applicable]

- [Averaging Method: [Averaging with Lookback

  Lookback: [•] Applicable Business Days]

  [Averaging with Observation Period Shift

  Observation Period Shift: [•] Observation Period Shift Business Days

  Observation Period Shift Additional Business Days: [•]/[Not Applicable]]

[Averaging with Lockout

Lockout: [•] Lockout Period Business Days

Lockout Period Business Days: [•]/[Applicable Business Days]]

- Index Provisions: [Applicable]/[Not Applicable]
- [Index Method: Compounded Index Method with Observation Period Shift

  Observation Period Shift: [•] Observation Period Shift Business Days

  Observation Period Shift Additional Business Days: [•] / [Not Applicable]]
- Margin(s): [[+/-][•] per cent. per annum] [Not Applicable]

  [The Notes are Step-up Notes. The Margin shall be: [•] for the Interest Period commencing in [*month, year*]; [•] for the Interest Period commencing in [*month, year*]]
- Rate Multiplier: [•]/[Not Applicable]

(xii) Benchmark Discontinuation – Independent Advisor: [Applicable]/[Not Applicable]

(xiii) Benchmark Discontinuation – SOFR: [Applicable]/[Not Applicable]

(xiv) Minimum Rate of Interest: [Applicable]/[Not Applicable]

[[•] per cent. per annum]

[[Interest Payment Date(s):] [•] [Minimum Rate of Interest:] [•]]

(xv) Maximum Rate of Interest: [Applicable]/[Not Applicable]

[[•] per cent. per annum]

[[Interest Payment Date(s):] [•] [Maximum Rate of Interest:] [•]]

(xvi) Day Count Fraction: [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Sterling]/[FRN]/[Actual/360]/[30/360]/[30E/360]

(xvii) Spread Notes: [Applicable]/[Not Applicable]

- Margin(s): [[+/-][•] per cent. per annum]/[Not Applicable]

  [The Notes are Step-up Notes. The Margin shall be: [•] for the Interest Period commencing in [*month, year*]; [•] for the Interest Period commencing in [*month, year*]]

	• Rate Multiplier:	[Not Applicable]/[•]
(xviii)	Knock-in Notes:	[Applicable]/[Not Applicable]
	• Knock-in Valuation Date(s):	[•]
	• Knock-in Determination Period:	[For the Interest Payment date falling in [•]][For each Interest Payment Date] the Knock-in Period Beginning Date is [•] and Knock-in Period Ending Date is [•]
	• Knock-in Event:	["greater than"]["greater than or equal to"]["less than"]["less than or equal to"]
	• Knock-in Level:	[•]
	• Knock-in Range:	From and including [•] to but excluding [•]
	• Digital Coupon:	[Applicable]/[Not Applicable]
	• Digital Coupon Amount:	[For the Interest Payment date falling in [•]][For each Interest Payment Date [•]]
(xix)	Knock-out Notes:	[Applicable]/[Not Applicable]
	• Knock-out Valuation Date(s):	[•]
	• Knock-out Determination Period:	[For the Interest Payment date falling in [•]][For each Interest Payment Date] the Knock-out Period Beginning Date is [•] and Knock-out Period Ending Date is [•]
	• Knock-out Event:	["greater than"]["greater than or equal to"]["less than"]["less than or equal to"]
	• Knock-out Level:	[•]
	• Knock-out Range:	From and including [•] to but excluding [•]
	• Digital Coupon:	[Applicable]/[Not Applicable]
	• Digital Coupon Amount:	[For the Interest Payment date falling in [•]][For each Interest Payment Date] [•]]
(xx)	Highest Rate Notes:	[Applicable]/[Not Applicable]
(xxi)	Lowest Rate Notes:	[Applicable]/[Not Applicable]
(xxii)	Day Count Fraction:	[Actual/Actual (ICMA) / Actual/Actual (/ISDA) / Actual/365 (Fixed) / Sterling/FRN / Actual/360 / 30/360 / 30E/360]
(xxiii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of	[Not Applicable]/[•]

		calculating interest on Floating Rate Notes, if different from those set out in the Description of the Notes:	
20.	Zero Coupon Note Provisions		[Applicable]/[Not Applicable]
	(i)	Accrual Yield:	[•] per cent. per annum
	(ii)	Reference Price:	[•]
	(iii)	Day Count Fraction:	[30/360]/[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]
	(iv)	Any other formula/basis of determining amount payable:	[Not Applicable]/[•]
21.	Index-Linked Note Provisions		[Applicable/Not Applicable]
	(i)	Index/Formula:	**[*Give or annex details*]**
	(ii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[•] shall be the Calculation Agent
	(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[•]
	(iv)	Specified Period:	[•]/[Not Applicable]
	(v)	Specified Interest Payment Dates:	[Not Applicable]/[Interest shall be payable [annually/semi-annually/quarterly/monthly] in arrear on [•][, [•], [•] and [•]] in each year commencing on [•], up to and including the Maturity Date, subject to adjustment in accordance with the Business Day Convention set out in (vi) below]
	(vi)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other **[*give details*]**]
	(vii)	Additional Business Center(s):	[Not Applicable]/[•]
	(viii)	Minimum Rate of Interest:	[[•] per cent. per annum/Not Applicable]
	(ix)	Maximum Rate of Interest:	[[•] per cent. per annum/Not Applicable]
	(x)	Day Count Fraction:	[Actual/Actual (ICMA) / Actual/Actual (/ISDA) / Actual/365 (Fixed) / Sterling/FRN / Actual/360 / 30/360 / 30E/360]

22. Dual Currency Note Provisions [Applicable]/[Not Applicable]

- Dual Currency Relevant Screen Page: [•]
- Dual Currency Relevant Time: [•]
- Pricing Date(s): [In respect of an Interest Payment Date, the date falling [•] Business Days prior to such Interest Payment Date]

23. Reverse Dual Currency Note Provisions [Applicable]/[Not Applicable]

- Reverse Dual Currency Relevant Screen Page: [•]
- Reverse Dual Currency Relevant Time: [•]
- Pricing Date(s): [In respect of an Interest Payment Date, the date falling [•] Business Days prior to such Interest Payment Date]

24. Range Accrual Note Provisions [Applicable]/[Not Applicable]

- Range Accrual Reference Rate: [•]
- Fixed Range Accrual Reference Rate: [Applicable]/[Not Applicable]
- Relevant Screen Page: [•]
- Relevant Time: [•]
- Upper Barrier: [•]/[Not Applicable]
- Lower Barrier: [•]/[Not Applicable]

PROVISIONS RELATING TO REDEMPTION

25. Call Option: [Applicable]/[Not Applicable]

(i) Optional Redemption Date(s) (Call): [•]

(ii) Optional Redemption Amount(s) (Call): [•] per Calculation Amount

(iii) Make Whole Redemption Price: [Applicable]/[Not Applicable]

- Reference Bond: [*Insert applicable Reference Bond*] [ISIN:[•]]

	• Relevant Make Whole Screen Page	[•] [or any page as may replace such page]
	• Quotation Time:	[•] [a.m.]/[p.m.] ([•] time)
	• Redemption Margin:	[•] per cent.
	• Par Redemption Date:	[[•]/Not Applicable]
(iv)	If redeemable in part:	
	• Minimum Redemption Amount:	[[•] per Calculation Amount]/[Not Applicable]
	• Maximum Redemption Amount:	[[•] per Calculation Amount]/[Not Applicable]
(v)	Notice period(if different from the Conditions):	[Not less than [•] nor more than [•] days]/[Not Applicable – in line with "*Description of the Notes – Redemption and Purchase – Redemption at the Option of the Issuer*".]
26.	Put Option:	[Applicable]/[Not Applicable]
(i)	Optional Redemption Date(s) (Put):	[•]
(ii)	Optional Redemption Amount(s) (Put) of each Note:	[[•] per Calculation Amount / **[*specify other*]**] / see Appendix]
(iii)	Notice period:	[•]
27.	Clean-up Call Option:	[Applicable]/[Not Applicable]
(i)	Clean-up Call Threshold:	[[20/[•]] per cent.]
(ii)	Optional Redemption Amount (Clean-up Call):	[•]
(iii)	Notice period (if different from the Conditions):	[Not less than [•] nor more than [•] days]/[Not Applicable – in line with "R*edemption and Purchase – Clean-up Call*".]
28.	Final Redemption Amount of each Note	[[•] per [Equivalent] Calculation Amount.] [Equivalent Currency Redemption provisions are applicable in respect of the Notes] / **[*specify other*]** / see Appendix]
(i)	[[Reverse Dual Currency Redemption Relevant Screen Page:	[•]]
(ii)	[[Reverse Dual Currency Redemption Relevant Time:	[•]]

	(iii) [[Redemption Pricing Date:	[•]]
	In cases where the Final Redemption Amount is Index-Linked or other variable-linked:	**[*give or annex details*]**
	(i) Index/Formula/variable:	**[*give or annex details*]**
	(ii) Calculation Agent responsible for calculating the Final Redemption Amount:	[•] shall be the Calculation Agent
	(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:	[•]
	(iv) Determination Date(s):	[•]
	(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[•]
	(vi) Payment Date:	[•]
	(vii) Minimum Final Redemption Amount:	[[•] per [Calculation Amount / **[*specify other*]**] / see Appendix]/ [Not Applicable]
	(viii) Maximum Final Redemption Amount:	[[•] per [Calculation Amount / **[*specify other*]**] / see Appendix]/ [Not Applicable]
29.	Early Redemption Amount / Early Termination Amount:	
	Early Redemption Amount(s) per Calculation Amount payable on [[•] per Calculation redemption for taxation reasons or an event of default or other Amount [and/or the method of calculating the same (if required or if different from that set out the Conditions)]:	[[•] per Calculation Amount / the CDS Spread Early Redemption Amount / the Basket CLN Early Redemption Amount / **[*specify other*]** / see Appendix / As per Clause 3.7 of the Indenture]
30.	Early Termination Amount [and/or the method of calculating the same (if required or if different from that set out in the Conditions)]:	[[•] per Calculation Amount / the CDS Spread Early Termination Amount / the Basket CLN Early Termination Amount / **[*specify other*]** / see Appendix / As per Clause 3.7 of the Indenture]
31.	Aggregation:	[Applicable/Not Applicable]

32.	Credit-Linked Conditions:		[Applicable. The Notes are Credit Linked Notes. / Not Applicable]
	(i)	Type of Credit Linked Notes:	[Single Reference Entity CLN] [[Nth-to-Default CLN] N: [•] Substitution: [Not Applicable]/[Applicable]] [CDS Spread CLN] [Basket CLN] [Other]
	(ii)	Substitution:	[Applicable] [Not Applicable]
	(iii)	Transaction Type: [•]	[•] [With respect of the Long Reference Entity: [•]] [With respect of the Short Reference Entity: [•]]
	(iv)	Trade Date: [•]	[•]
	(v)	Scheduled Maturity Date:	[•]
	(vi)	Calculation Agent responsible for making calculation and determinations pursuant to "*Description of the Notes-Additional Terms for Credit Linked Notes*":	[•]
	(vii)	Reference Entity(ies):	[•][Each of the Long Reference Entity and the Short Reference Entity set out in the Appendix hereto and their respective Successors][Each entity in the Reference Index (as listed in the Reference Index Annex)]
	(viii)	Reference Portfolio:	[•][The basket of Reference Entities listed in the Reference Index Annex]
	(ix)	Reference Entity Notional Amount:	[•][With respect to [both] the Long Reference Entity[: [•]] and [with respect to] the Short Reference Entity: [•]] [In respect of each Reference Entity, the Basket CLN Reference Entity Notional Amount in respect of such Reference Entity]
	(x)	Reference Obligation(s):	[•][as per the Credit Linked Terms][Standard Reference Obligation is [not] applicable][With respect to each Reference Entity, the Reference Obligation (if any) specified in relation to such Reference Entity in the Reference Index Annex.]

	The obligation identified as follows	[•]
	Primary Obligor:	[•]
	Guarantor:	[•]
	Maturity:	[•]
	Coupon:	[•]
	CUSIP/ISIN:	[•]
	Original Issue Amount:	[•]
(xi)	All Guarantees:	[Applicable] [Not Applicable] [with respect to the [Long][Short][each] Reference Entity]
(xii)	Credit Events:	[With respect to [both] the Long Reference Entity[: [•]] and [with respect to] the Short Reference Entity: [Bankruptcy] [Failure to Pay Grace Period Extension: [Applicable][Not Applicable]] [Repudiation/Moratorium] [Restructuring Multiple Holder Obligation: [Applicable][Not Applicable]] [Obligation Acceleration] [Obligation Default] [Governmental Intervention] [Additional Credit Event: [•]]
(xiii)	Obligation:	[With respect to [both] the Long Reference Entity[: [•]] and [with respect to] the Short Reference Entity: Obligation Category: [Borrowed Money] [Reference Obligation Only] [Bond] [Loan] or [Bond or Loan] Obligation Characteristics: [Not Subordinated], [Specified Currency], [Not Sovereign Lender], [Not Domestic Currency], [Not Domestic Law], [Listed], [Not Domestic Issuance], [Assignable Loan], [Consent Required Loan], [Direct Loan Participation], [Transferable], [Maximum Maturity], [Accelerated or Matured] [and] [Not Bearer]
(xiv)	Deliverable Obligation:	[With respect to [both] the Long Reference Entity[: [•]] and [with respect to] the Short Reference Entity: Deliverable Obligation Category: [Borrowed Money] [Reference Obligation Only] [Bond] [Loan] or [Bond or Loan]

		Deliverable Obligation Characteristics: [Not Subordinated], [Specified Currency], [Not Sovereign Lender], [Not Domestic Currency], [Not Domestic Law], [Listed], [Not Domestic Issuance], [Assignable Loan], [Consent Required Loan], [Direct Loan Participation], [Transferable], [Maximum Maturity], [Accelerated or Matured] [and] [Not Bearer]
(xv)	Settlement Method:	[Auction Settlement] [Cash Settlement] [Physical Settlement]
(xvi)	Fallback Settlement Method	[Cash Settlement] [Physical Settlement]
(xvii)	Settlement Deferral:	[•]
(xviii)	Cut-off Date:	[•]
(xix)	Settlement Currency	[Auction Settlement] [Cash Settlement] [Physical Settlement]
(xx)	Merger Event:	[Cash Settlement] [Physical Settlement] [•] [•] ["*Description of the Notes—Additional Terms for Credit Linked Notes—Redemption—Redemption following a Merger Event*"] [Applicable/Not Applicable] ***[If Applicable:]*** [Merger Event Redemption Date: [•]]
(xxi)	LPN Reference Entities	[Not Applicable] [Applicable]
(xxii)	Terms relating to Cash Settlement:	[As per the Credit Linked Terms] [Not Applicable] **[*Specify variations or additions to Credit Linked Conditions*]**
	• Cash Settlement Date:	[•][[•] CLN Business Days immediately following the determination of the [Weighted Average Final Price][Final Price]]]
(xxiii)	Terms relating to Physical Settlement:	[As per the Credit Linked Terms] [Not Applicable] **[*Specify variations or additions to Credit Linked Terms*]**
(xix)	Cessation of Interest Accrual:	[As per paragraph (a) of "*Description of the Notes—Additional Terms for Credit Linked Notes—Interest—Cessation of Interest Accrual*"] [As per paragraph (b) of "*Description of the Notes—Additional Terms for Credit Linked Notes—Interest—Cessation of Interest Accrual*"]
(xx)	Interest:	[•]
(xx)	CLN Business Day:	[•]
(xxi)	Additional Credit Linked Note Disruption Events:	[The following additional Credit Linked Note Disruption Events apply:] [Not Applicable] **[*Specify each of the Following which applies*]** [Change in Law]

		[Hedging Disruption] [Increased Cost of Hedging]
(xxii)	Unwind Costs:	[•]
(xxiii)	Additional provisions:	[The **[*specify Additional Provisions*]** shall apply / Not Applicable]
(xxiv)	Reference Index:	[•]
(xxv)	Reference Index Publisher:	[•]
(xxvi)	Reference Index Sponsor:	[•]]

33.	Equity Linked Conditions:		[Applicable. The Notes are Equity Linked Notes./Not Applicable]
(i)	[Single Share Notes]/[Share Basket Notes]:		[Applicable/Not Applicable]
	(a)	Whether the Notes relate to a single share or a basket of shares (each, a "**Share**") and the identity of the relevant issuer(s) and class of the Share (each, a "**Share Issuer**"):	[Single Share Notes]/[Share Basket Notes] • Share/Shares: [•] (ISIN: [•]) • Share Issuer(s): [•]
	(b)	Exchange(s):	[•]
	(c)	Related Exchange(s):	[•]/[None specified]
	(d)	Weighting for each Share comprising the Basket of Shares:	[[•] [*insert details*]/Not Applicable]
	(e)	Whether redemption of the Notes will be by Cash Settlement or Physical Settlement:	[Cash Settlement/Physical Settlement] [Other [*specify*]]
	(f)	Party responsible for calculating the Interest Amount and/or Final	[•] shall be the Calculation Agent

	Redemption Amount:	
(g)	Provisions for determining Interest Amount and/or Final Redemption Amount where calculation by reference to one or more Shares:	[•]
(h)	Provisions for determining Interest Amount and/or Final Redemption Amount where calculation by reference to one or more Shares is impossible or impracticable or otherwise disrupted:	[•] [*Include a description of market disruption or settlement disruption events and adjustment provisions*]
(i)	Averaging Date Provisions:	[Applicable/Not Applicable]
(j)	Averaging Date(s):	[•]
(k)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement/Not Applicable]
(l)	Maximum Number of Disrupted Days:	[•]
(m)	Valuation Date(s):	[•]
(n)	Valuation Time(s):	[•]
(o)	Delivery provisions for Shares (including details of who is to make such delivery):	[•] [*only where Physical Settlement is applicable*]
(p)	Additional Disruption Events:	[Not Applicable] [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]

			[Loss of Stock Borrow] [***specify Maximum Stock Loan Rate***] [Increased Cost of Stock Borrow] [Other [***Specify***]]
	(q)	Share Substitution:	[Applicable/Not Applicable] [*specify substitution criteria*]
	(r)	Autocall Early Redemption:	[Applicable/Not Applicable] [*Insert details of Autocall Early Redemption observation dates, Autocall Early Redemption Amount, and Autocall Early Redemption Date*]
	(s)	Knock-In Event:	[Applicable/Not Applicable] • [Reference Level: [•] • Knock-In Level/Range: [•] • Knock-In Valuation Time: [•] • Knock-In Determination Day(s)/Period(s): [•]]
	(t)	Knock-out Event:	[Applicable/Not Applicable] • [Reference Level: [•] • Knock-Out Level/Range: [•] • Knock-Out Valuation Time: [•] • Knock-Out Determination Day(s)/Period(s): [•]]
	(u)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other [*give details*]]
	(v)	Additional Business Center(s):	[•]
	(w)	Other special terms and conditions:	[•]
(ii)	[Single Index Notes]/[Index Basket Notes]:		[Applicable/Not Applicable] [*if not applicable, delete sub paragraph (B)*]
	(a)	Whether the Notes relate to a single index or a basket of indices (each, an "**Index**") and the identity of the Sponsor of	[Single Index Notes]/[Index Basket Notes] [•], sponsored by [•] (Bloomberg®code: [•]) [*specify Index/Indices/Index Sponsors*]

	an Index (each, an "**Index Issuer**"):	
(b)	Exchange[s]:	[•] / Multi-Exchange is applicable [*specify Exchange, or Multi-Exchange Index in relation to each Index*]
(c)	Related Exchange[s]:	[•]/[None specified]
(d)	Weighting for each Index:	[[•] [*Insert details*]/Not Applicable]
(e)	Party responsible for calculating the Interest Amount and/or Final Redemption Amount:	[•] shall be the Calculation Agent
(f)	Provisions for determining Interest Amount and/or Final Redemption Amount where calculated by reference to one or more Indices:	[•]
(g)	Provisions for determining Interest Amount and/or Final Redemption Amount where calculation by reference to one or more Indices is impossible or impracticable or otherwise disrupted:	[•] [*Include a description of market disruption or settlement disruption events and adjustment provisions*]
(h)	Averaging Date:	[Applicable/Not Applicable]
(i)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement/Not Applicable]
(j)	Maximum Number of Disrupted Days:	[•]
(k)	Valuation Date(s):	[•]
(l)	Valuation Time (s):	[•]

(m)	Additional Disruption Events:	[Not Applicable] [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Loss of Stock Borrow] [Increased Cost of Stock Borrow] [Other (*specify*)]
(n)	Share Substitution:	[Applicable/Not Applicable]
(o)	Autocall Early Redemption:	[Applicable/Not Applicable] [*Insert details of Autocall Early Redemption observation dates, Autocall Early Redemption Amount, and Autocall Early Redemption Date*]
(p)	Knock-In Event:	[Applicable/Not Applicable] • [Reference Level: [•] • Knock-In Level/Range: [•] • Knock-In Valuation Time: [•] • Knock-In Determination Day(s)/Period(s): [•]]
(q)	Knock-out Event:	[Applicable/Not Applicable] • [Reference Level: [•] • Knock-Out Level/Range: [•] • Knock-Out Valuation Time: [•] • Knock-Out Determination Day(s)/Period(s): [•]]
(r)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other [*give details*]]
(s)	Additional Business Center(s):	[•] per cent. per annum
(t)	Other special terms and conditions:	[•]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

34.	Form of Notes:	[Bearer Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes

		[on [•] days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Global Note].] [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice.] [Permanent Global Note exchangeable for Definitive Notes [on [•] days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Global Note.]][9] [Registered Notes: Global Registered Note exchangeable for Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances described in the Global Registered Note. 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 (that is, held under the New Safekeeping Structure (NSS))] / [lodged with a sub-custodian nominated by the HKMA as operator of the CMU].
35.	[New Global Note ("**NGN**") Form] [New Safekeeping Structure ("**NSS**")]:	[Applicable]/[Not Applicable]
36.	Additional Financial Center(s) or other special provisions relating to payment dates:	[Not Applicable/[•]]
37.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[No.] / [Yes. As the Notes have more than 27 Coupon payments, Talons may be required if, on exchange into definitive form, more than 27 Coupon payments are left.]
38.	CMU Notes:	[Applicable]/[Not Applicable]
	(i) CMU U.S. Withholding Tax Administration Agent:	[•]
39.	Other terms or special conditions:	[Not Applicable/ **[*give details*]**]
40.	Additional U.S. federal income tax considerations:	[Not applicable/give details] [The Notes are [not] Section 871(m) Notes for the purpose of Section 871(m).] The [Dividend Withholding] [Issuer Withholding] approach shall apply to the Notes. For further information, see "*Dividend Equivalent Payments*" in the Information Memorandum. [The following dividend equivalent amounts are to be treated as being reinvested during the term of the Notes, less a withholding on such amounts at a rate of [ ] per cent. (as of the Issue Date), which shall be treated for U.S. federal income tax purposes as having been withheld from payments due to the holders of the Notes: [ ]]. Additional information regarding the application of Section 871(m) to the Notes will be available from the Issuer. Investors should submit any

[9] Notes in bearer form may only be issued to the extent they are classified as being in registered form for U.S. tax purposes.

requests for additional information to the Issuer via their custodians.][10]

Signed on behalf of Wells Fargo Finance LLC:

By: _____

Duly authorized

Signed on behalf of the Wells Fargo & Company:

By: _____

Duly authorized

APPENDIX

Reference Entity	**Reference Obligation**		**Reference Entity Type**
[•] (the "**Long Reference Entity**")	Primary Obligor: Maturity: Coupon: ISIN:		[•]
[•] (the "**Short Reference Entity**")	Primary Obligor: Maturity: Coupon: ISIN:		[•]

[10] The Notes should not be Section 871(m) Notes, if they (i) do not reference any U.S. equity or any index that contains any U.S. equity (ii) reference indices considered to be "qualified indices" for purposes of Section 871(m) or (iii) are Non-Delta-One Notes and are issued prior to 1 January 2027. Delta-One Notes and Non-Delta-One Notes issued on or after 1 January 2027 that reference a U.S. equity or index that contains any U.S. equity are subject to additional testing on a trade-by-trade basis to determine whether they are subject to U.S. federal withholding tax under Section 871(m).

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

(i)	Admission to trading:	[Application [has been/will be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [•] with effect from [•]/[the Issue Date].]/[Not Applicable]
(ii)	Estimate of total expenses related to admission to trading:	[•]

2. **RATINGS**

Ratings:	The Notes to be issued [are not/have been/are expected to be] rated: Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc.: [•] Moody's Investors Service, Inc.: [•]

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

[Save as discussed in "*Subscription and Sale*" [and save for the fees paid to the Managers], so far as the Issuer [and the Guarantor] [is aware, no person involved in the offer of the Notes has an interest material to the offer.]/[•]/[Not Applicable].

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

(i)	Reasons for the offer:	[The net proceeds from the issue of the Notes will be used for the general corporate purposes of the Issuer's business.]/[•]
(ii)	Estimated net proceeds:	[•]
(iii)	Estimated total expenses:	[Not Applicable]/[•]

5. **[*Fixed Rate Notes only* – YIELD**

Indication of yield: [•]/[Not Applicable]

6. **[*Floating Rate Notes only* – HISTORIC INTEREST RATES**

Information on past and future performance and volatility can be obtained from [Reuters].]

The Issuer [intends to provide post-issuance information **[*specify what information will be reported and where it can be obtained*]**] [does not intend to provide post-issuance information].

7. [***Dual Currency/Reverse Dual Currency Notes only* – PERFORMANCE OF RATE[S] OF EXCHANGE**

[•]

Details of historic rates of exchange can be obtained from [Reuters].]

[Not Applicable]

8. ***Index-Linked or Other Variable-Linked Notes* – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING**

[•]

The Issuer [intends to provide post-issuance information **[*specify what information will be reported and where it can be obtained*]**] / [does not intend to provide post-issuance information].

[Not Applicable]

9. **OPERATIONAL INFORMATION**

(i)	ISIN Code:	[•]
(ii)	Common Code:	[•]
(iii)	CMU Instrument Number:	[Not Applicable]/[•]
(iv)	CFI:	[[See/[•], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]
(v)	FISN:	[[See/[•], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]
(vi)	LEI of Issuer:	549300B4EK2P191S8U08
(vii)	LEI of Guarantor:	PBLD0EJDB5FWOLXP3B76
(viii)	Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority and the relevant identification number(s):	[Not Applicable]/[•]
(ix)	New Global Note intended to be held in a manner which would allow Eurosystem eligibility:	[Not Applicable][11] [[Yes. Note that the designation "yes" means that the Notes are intended upon issue to be deposited with Euroclear Bank SA/NV or Clearstream Banking S.A. as common safekeeper, [or registered in the name of a nominee of Euroclear Bank SA/NV or Clearstream Banking S.A. acting as common safekeeper,] and does not necessarily mean that the Notes will be recognized 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

[11] CMU Notes are not capable of being Eurosystem eligible.

		life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with Euroclear Bank SA/NV or Clearstream Banking S.A. as common safekeeper [(and registered in the name of a nominee of Euroclear Bank SA/NV or Clearstream Banking S.A. acting as common Safekeeper)]. Note that this does not necessarily mean that the Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]
(x)	Delivery:	Delivery [against/free of] payment
(xi)	Names and addresses of additional paying agent(s) (if any):	[Not Applicable]/[•]

10. **DISTRIBUTION**

(i)	Method of Distribution:	[Syndicated / Non-syndicated]
	• If syndicated, names of Managers:	[Not Applicable]/[•]
	• Date of Subscription Agreement:	[•]
(ii)	If non-syndicated, name of Dealer	[Not Applicable]/[•]
(iii)	U.S. Selling Restrictions:	[Reg. S Compliance Category 2]
(iv)	[Prohibition of Sales to EEA Retail Investors:	[Applicable]/[Not Applicable] [***If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no KID will be prepared, "Applicable" should be specified***.]
(v)	[Prohibition of Sales to UK Retail Investors:	[Applicable]/[Not Applicable] [***If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no KID will be prepared, "Applicable" should be specified***.] [12] /[***If the Notes clearly do not constitute an issue of Consumer Composite Investments (CCIs), "Not Applicable" should be specified. If the Notes may constitute an issue of***

12 Include bracketed language pre-6 April 2026.

CCIs and no disclosure document will be prepared, "Applicable" should be specified.][13]

(vi) Additional selling restrictions: [Not Applicable/ **[*give details*]**]

(vii) Stabilisation Manager: [•]/[Not Applicable]

11. **[THIRD PARTY INFORMATION]**

[[The descriptions of the ratings of the Notes contained in paragraph [•] of Part B have been extracted from the website[s] of [•], as indicated.]/[[•] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

12. **REASONS FOR THE OFFER AND ESTIMATED NET AMOUNT OF PROCEEDS**

(i) Reasons for the offer: [ ] [See ["*Use of Proceeds*"] in Information Memorandum/***Give details***] [***If reasons differ from what is disclosed in the Information Memorandum, give details here***].

(ii) Estimated Net Proceeds: [•]

13 Include bracketed language from 6 April 2026.

[PART C — ADDITIONAL INFORMATION AND DISCLAIMERS][14]

[*Insert description and disclaimer in respect of Reference Index*]

[14] Include Part C if Notes are Basket CLNs referencing an index.

[EXHIBIT A – Reference Index Annex for [•] Index][15]

[*Insert Reference Index details*]

[15] Include Exhibit A if Notes are Basket CLNs referencing an index.

USE OF PROCEEDS

The Issuer intends to lend the net proceeds from the issue of each Tranche of Notes to the Guarantor and/or its affiliates. The Issuer expects that the Guarantor and/or its affiliates will use the proceeds from these loans for general corporate purposes, or, if, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the relevant Pricing Supplement.

DESCRIPTION OF THE ISSUER

Wells Fargo Finance LLC is a Delaware limited liability company and a direct, wholly-owned finance subsidiary of Wells Fargo & Company.

DESCRIPTION OF THE GUARANTOR

Overview

The Guarantor is the parent company of a leading financial services group that operates primarily in North America. The Guarantor was originally incorporated in 1929 in accordance with the laws of Delaware with registration number 0251212. The principal executive office of the Guarantor is 333 Market Street, San Francisco, California 94105 (telephone number +1-415-371-2921). The latest version of the Guarantor's Certificate of Incorporation is dated 17 March 2026.

The Guarantor is a financial holding company and a bank holding company registered under the Bank Holding Company Act of 1956, as amended (the "**BHC Act**"). Its principal business is to act as a holding company for its subsidiaries.

Principal activities and markets

The Group's management reporting is organized into four reportable operating segments: Consumer Banking and Lending; Commercial Banking; Corporate and Investment Banking; and Wealth and Investment Management. All other business activities that are not included in the reportable operating segments have been included in Corporate. The Group defines its reportable operating segments based on the product or service provided and the type of customer served, and their results are based on the Group's management reporting process. The management reporting process measures the performance of the reportable operating segments based on the Group's management structure, and the results are regularly reviewed with the Group's Chief Executive Officer ("**CEO**") and relevant senior management. The Group's CEO is the chief operating decision maker (CODM) and reviews actual and forecasted operating segment net income for assessing performance and deciding how to allocate resources. The management reporting process is based on U.S. GAAP and includes specific adjustments, such as funds transfer pricing for asset/liability management, shared revenue and expenses, and taxable-equivalent adjustments to consistently reflect income from taxable and tax-exempt sources, which allows management to assess performance consistently across the operating segments.

Consumer Banking and Lending

Consumer Banking and Lending offers diversified financial products and services for consumers and small businesses. These financial products and services include checking and savings accounts, credit and debit cards, as well as home, auto, personal, and small business lending.

Commercial Banking

Commercial Banking provides financial solutions to private, family owned and certain public companies. Products and services include banking and credit products across multiple industry sectors and municipalities, secured lending and lease products, and treasury management.

Corporate and Investment Banking

Corporate and Investment Banking delivers a suite of capital markets, banking, and financial products and services to corporate, commercial real estate, government and institutional clients globally. Products and services include corporate banking, investment banking, treasury management, commercial real estate lending and capital markets, equity and fixed income solutions as well as sales, trading, and research capabilities.

Wealth and Investment Management

Wealth and Investment Management provides personalized wealth management, brokerage, financial planning, lending, private banking, trust and fiduciary products and services to affluent, high-net worth and ultra-high-net worth clients. The Group operates through financial advisors in its brokerage and wealth offices, consumer bank branches, independent offices, and digitally through WellsTrade® and Intuitive Investor®.

Corporate

Corporate includes corporate treasury and enterprise functions, net of expense allocations, in support of the reportable operating segments (including funds transfer pricing, capital and liquidity), as well as the Group's investment portfolio and venture capital and private equity investments. Corporate also includes certain lines of business that management has determined are no longer consistent with the long-term strategic goals of the Group as well as results for previously divested businesses.

Basis of Presentation

Funds Transfer Pricing

Corporate treasury manages a funds transfer pricing methodology that considers interest rate risk, liquidity risk, and other product characteristics. Operating segments pay a funding charge for their assets and receive a funding credit for their deposits, both of which are included in net interest income. The net impact of the funding charges or credits is recognized in corporate treasury.

Revenue Sharing and Expense Allocations

When lines of business jointly serve customers, the line of business that is responsible for providing the product or service recognizes revenue or expense with a referral fee paid or an allocation of cost to the other line of business based on established internal revenue-sharing agreements.

When a line of business uses a service provided by another line of business, expense is generally allocated based on the cost and use of the service provided. Enterprise functions, such as operations, technology, and risk management, are included in Corporate with an allocation of their applicable costs to the reportable operating segments based on the level of support provided by the enterprise function. The Group periodically assesses and updates its revenue sharing and expense allocation methodologies.

The "*Group Operating Segments*" table below includes the allocated expenses from Corporate to the reportable operating segments within the relevant personnel and non-personnel expense lines. Personnel expense is a significant expense for the Group's reportable operating segments. Nonpersonnel expense includes other expense categories that are consistent with those presented in the Group's consolidated statement of income, such as technology, telecommunications and equipment expense, occupancy expense, and professional and outside services expense.

Taxable-Equivalent Adjustments

Taxable-equivalent adjustments related to tax-exempt income on certain loans and debt securities are included in net interest income, while taxable-equivalent adjustments related to income tax credits for affordable housing and renewable energy investments are included in noninterest income, in each case with corresponding impacts to income tax expense (benefit). Adjustments are included in Corporate, Commercial Banking, and Corporate and Investment Banking and are eliminated to reconcile to the Group's consolidated financial results.

Group Operating Segments

	Consumer Banking and Lending	Commercial Banking	Corporate and Investment Banking	Wealth and Investment Management	Corporate	Reconciling Items [1]	Consolidated Company
				($ in millions)			
Year ended 31 December 2025							
Net interest income [2]	**29,183**	**7,902**	**7,557**	**3,684**	**(539)**	**(303)**	**47,484**
Noninterest income	**8,179**	**4,076**	**11,675**	**12,644**	**1,286**	**(1,645)**	**36,215**
Total revenue	**37,362**	**11,978**	**19,232**	**16,328**	**747**	**(1,948)**	**83,699**
Provision for credit losses	**3,362**	**288**	**74**	**—**	**(66)**	**—**	**3,658**
Personnel expense	**14,091**	**3,957**	**6,104**	**11,061**	**1,068**	**—**	**36,281**
Nonpersonnel expense	**9,424**	**2,120**	**3,332**	**2,457**	**1,228**	**—**	**18,561**
Total noninterest expense	**23,515**	**6,077**	**9,436**	**13,518**	**2,296**	**—**	**54,842**
Income (loss) before income tax expense (benefit)	**10,485**	**5,613**	**9,722**	**2,810**	**(1,483)**	**(1,948)**	**25,199**
Income tax expense (benefit)	**2,620**	**1,421**	**2,439**	**691**	**(1,382)**	**(1,948)**	**3,841**

	Consumer Banking and Lending	Commercial Banking	Corporate and Investment Banking	Wealth and Investment Management	Corporate	Reconciling Items [1]	Consolidated Company
				($ in millions)			
Net income (loss) before noncontrolling interests	**7,865**	**4,192**	**7,283**	**2,119**	**(101)**	**—**	**21,358**
Less: Net income (loss) from noncontrolling interests	**—**	**8**	**—**	**—**	**12**	**—**	**20**
Net income (loss)	**7,865**	**4,184**	**7,283**	**2,119**	**(113)**	**—**	**21,338**
Year ended 31 December 2024							
Net interest income [2]	28,303	9,096	7,935	3,473	(791)	(340)	47,676
Noninterest income	7,898	3,682	11,409	11,963	1,129	(1,461)	34,620
Total revenue	36,201	12,778	19,344	15,436	338	(1,801)	82,296
Provision for credit losses	3,561	290	521	(22)	(16)	—	4,334
Personnel expense	13,864	4,090	6,067	10,424	1,284	—	35,729
Nonpersonnel expense	9,410	2,100	2,962	2,460	1,937	—	18,869
Total noninterest expense	23,274	6,190	9,029	12,884	3,221	—	54,598
Income (loss) before income tax expense (benefit)	9,366	6,298	9,794	2,574	(2,867)	(1,801)	23,364
Income tax expense (benefit)	2,357	1,599	2,456	672	(1,884)	(1,801)	3,399
Net income (loss) before noncontrolling interests	7,009	4,699	7,338	1,902	(983)	—	19,965
Less: Net income from noncontrolling interests	—	10	—	—	233	—	243
Net income (loss)	7,009	4,689	7,338	1,902	(1,216)	—	19,722
Year ended 31 December 2025[3]							
Loans (average)	**322,052**	**223,399**	**293,089**	**86,019**	**2,932**	**—**	**927,491**
Assets (average)	**356,372**	**246,205**	**667,299**	**92,681**	**623,701**	**—**	**1,986,258**
Deposits (average)	**779,994**	**178,432**	**206,251**	**127,257**	**55,311**	**—**	**1,347,245**
Loans (period-end)	**332,481**	**228,627**	**333,509**	**90,635**	**915**	**—**	**986,167**
Assets (period-end)	**373,494**	**252,001**	**787,751**	**96,721**	**638,664**	**—**	**2,148,631**
Deposits (period-end)	**790,962**	**190,004**	**224,146**	**147,616**	**73,479**	**—**	**1,426,207**
Year ended 31 December 2024[3]							
Loans (average)	325,163	223,057	277,039	83,005	7,112	—	915,376
Assets (average)	360,907	245,707	568,035	90,024	652,024	—	1,916,697
Deposits (average)	774,660	172,129	192,592	107,689	98,845	—	1,345,915
Loans (period-end)	321,430	223,318	278,680	84,340	4,977	—	912,745
Assets (period-end)	361,663	246,569	597,278	90,536	633,799	—	1,929,845
Deposits (period-end)	783,490	188,650	212,948	127,008	59,708	—	1,371,804

(1) Taxable-equivalent adjustments related to tax-exempt income on certain loans and debt securities are included in net interest income, while taxable-equivalent adjustments related to income tax credits for affordable housing and renewable energy investments are included in noninterest income, in each case with corresponding impacts to income tax expense (benefit). Adjustments are included in Corporate, Commercial Banking, and Corporate and Investment Banking and are eliminated to reconcile to the Group's consolidated financial results.

(2) Net interest income is interest earned on assets minus the interest paid on liabilities to fund those assets. Segment interest earned includes actual interest income on segment assets as well as a funding credit for their deposits. Segment interest paid on liabilities includes actual interest expense on segment liabilities as well as a funding charge for their assets.

(3) In third quarter 2025, the Group prospectively transferred approximately $8 billion of loans and approximately $6 billion of deposits related to certain business customers from the Commercial Banking operating segment to Consumer, Small and Business Banking in the Consumer Banking and Lending operating segment.

Guarantor-Only Condensed Financial Statements

	Year ended 31 December		
	2025	2024	2023
		($ in millions)	
Income			
Dividends from subsidiaries[1]	**23,100**	18,600	22,300
Interest income from subsidiaries	**9,412**	11,199	10,845
Other income	**334**	527	217
Total income	**32,846**	30,326	33,362
Expense			
Interest expense			
Indebtedness to nonbank subsidiaries	**1,837**	2,291	2,567
Long-term debt	**9,542**	11,033	9,909
Noninterest expense	**706**	1,151	504
Total expense	**12,085**	14,475	12,980
Income before income tax benefit and equity in undistributed income of subsidiaries	**20,761**	15,851	20,382

	Year ended 31 December		
	2025	2024	2023
		($ in millions)	
Income tax benefit	**(2,103)**	(1,747)	(1,076)
Equity in undistributed income of subsidiaries	**(1,526)**	2,124	(2,316)
Net income	**21,338**	19,722	19,142
Other comprehensive income (loss)[2]	**5,503**	(596)	1,782
Total comprehensive income	**26,841**	19,126	20,924

[1] Includes dividends paid from indirect bank subsidiaries of $22.5 billion, $18.6 billion, and $22.3 billion in 2025, 2024, and 2023, respectively.
[2] Includes other comprehensive income (loss) of subsidiaries, particularly related to debt securities.

Capital Management

The Group has an active program for managing capital through a comprehensive process for assessing its overall capital adequacy. The Group's objective is to maintain capital at an amount commensurate with its risk profile and risk tolerance objectives, and to meet both regulatory and market expectations. The Group primarily funds its capital needs through the retention of earnings net of both dividends and share repurchases, as well as through the issuance of preferred stock and long- and short-term debt.

Regulatory Capital Requirements

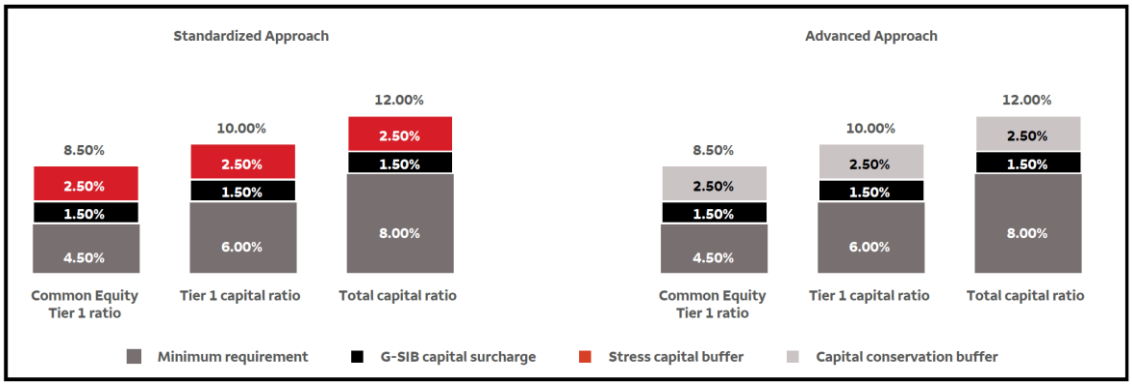
The Group and each of its IDIs are subject to various regulatory capital adequacy requirements administered by the FRB and the OCC. Risk-based capital rules establish risk-adjusted ratios relating regulatory capital to different categories of assets and off-balance sheet exposures as discussed below.

Risk-based capital and risk-weighted assets

The Group is subject to rules issued by federal banking regulators to implement Basel III capital requirements for U.S. banking organizations. The rules contain two frameworks for calculating capital requirements, a Standardized Approach and an Advanced Approach applicable to certain institutions, including the Group, and the Group must calculate its risk-based capital ratios under both approaches. The Group is required to satisfy the risk-based capital ratio requirements to avoid restrictions on capital distributions and discretionary bonus payments.

The table below presents the risk-based capital requirements applicable to the Group under the Standardized Approach and Advanced Approach, respectively, as of 31 December 2025.

Risk Based Capital Requirements – Standardized and Advanced Approaches



In addition to the risk-based capital requirements described in the table above, if the FRB determines that a period of excessive credit growth is contributing to an increase in systemic risk, a countercyclical buffer of up to 2.50% could be added to the risk-based capital ratio requirements under federal banking regulations. The countercyclical buffer in effect at 31 December 2025 was 0.00%.

The capital conservation buffer is applicable to certain institutions, including the Group, under the Advanced Approach and is intended to absorb losses during times of economic or financial stress.

The stress capital buffer ("**SCB**") is calculated based on the decrease in a BHC's risk-based capital ratios under the severely adverse scenario in the FRB's annual supervisory stress test and related Comprehensive Capital Analysis and Review ("**CCAR**"), plus four quarters of planned common stock dividends. Because the SCB is calculated annually based on data that can differ over time, the Group's SCB, and thus the Group's risk-based capital ratio requirements under the Standardized Approach, are subject to change in future periods. The Group's SCB for the period 1 October 2025 through 30 September 2026, is 2.50%. In February 2026, the FRB communicated that the current SCB for BHCs would remain in effect until 30 September 2027, due to proposed updates to enhance the transparency of the stress testing program.

As a G-SIB, the Group is also subject to the FRB's rule implementing an additional capital surcharge between 1.00-4.50% on the risk-based capital ratio requirements of G-SIBs. Under the rule, the Group must annually calculate its surcharge under two methods and use the higher of the two surcharges. The first method (method one) considers the Group's size, interconnectedness, cross-jurisdictional activity, substitutability, and complexity, consistent with the methodology developed by the Basel Committee on Banking Supervision and the Financial Stability Board. The second method (method two) uses similar inputs, but replaces substitutability with use of short-term wholesale funding and will generally result in higher surcharges than under method one. Because the G-SIB capital surcharge is calculated annually based on data that can differ over time, the amount of the surcharge is subject to change in future years. If the Group's annual calculation results in a decrease to its G-SIB capital surcharge, the decrease takes effect the next calendar year. If the Group's annual calculation results in an increase to its G-SIB capital surcharge, the increase takes effect in two calendar years. The Group's G-SIB capital surcharge will continue to be 1.50% in 2026. On 27 July 2023, the FRB issued a proposed rule that would impact the methodology used to calculate the G-SIB capital surcharge.

Risk-weighted assets ("**RWAs**") include components for credit risk and market risk under both the Standardized and Advanced Approaches. Under the Standardized Approach, credit risk RWAs are determined by applying prescribed risk weights that vary by category of asset, including credit equivalent amounts of derivatives and off-balance sheet items. Under the Advanced Approach, credit risk RWAs are calculated using a risk-sensitive methodology, which relies upon the use of the Group's internal credit models based upon its experience with internal rating grades. The Advanced Approach also includes an operational risk component to reflect the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.

The tables that follow provide information about the Group's risk-based capital and related ratios as calculated under Basel III capital rules.

The "*Capital components and ratios*" table below summarizes the Group's CET1, Tier 1 capital, Total capital, RWAs and capital ratios.

Capital components and ratios

		Standardized Approach			Advanced Approach		
		Required Capital Ratios[1]	**as of 31 December 2025**	**as of 31 December 2024**	**Required Capital Ratios[1]**	**as of 31 December 2025**	**as of 31 December 2024**
			($ in millions, except ratios)				
Common Equity Tier 1	(A)		**137,346**	134,588		**137,346**	134,588
Tier 1 capital	(B)		**153,567**	152,866		**153,567**	152,866
Total capital	(C)		**184,682**	184,638		**174,617**	174,446
Risk-weighted assets	(D)		**1,294,609**	1,216,146		**1,112,533**	1,085,017
Common Equity Tier 1 capital ratio	(A)/(D)	**8.50%**	**10.61%**	11.07%*	**8.50%**	**12.35%**	12.40%
Tier 1 capital ratio	(B)/(D)	**10.00%**	**11.86%**	12.57%*	**10.00%**	**13.80%**	14.09%
Total capital ratio	(C)/(D)	**12.00%**	**14.27%**	15.18%*	**12.00%**	**15.70%**	16.08%

* Denotes the binding framework, which is the lower of the Standardized and Advanced Approaches, at 31 December 2025.
[1] Represents the minimum ratios required to avoid restrictions on capital distributions and discretionary bonus payments at 31 December 2025.

The table below provides information regarding the calculation and composition of the Group's risk-based capital under the Standardized and Advanced Approaches at 31 December 2025 and 2024.

Risk-based capital calculation and components

		31 December 2025	31 December 2024
		($ in millions)	
Total equity		**183,038**	181,066
Adjustments			
Preferred stock		**(16,608)**	(18,608)
Additional paid-in capital on preferred stock		**141**	144
Noncontrolling interests		**(1,920)**	(1,946)
Total common stockholders' equity		**164,651**	160,656
Adjustments			
Goodwill		**(24,967)**	(25,167)
Certain identifiable intangible assets (other than MSRs)		**(823)**	(73)
Goodwill and other intangibles on venture capital investments in consolidated portfolio companies (included in other assets)		**(705)**	(735)
Applicable deferred taxes related to goodwill and other intangible assets[1]		**1,063**	947
Other		**(1,873)**	(1,040)
Common Equity Tier 1 under the Standardized and Advanced Approaches		**137,346**	134,588
Preferred stock		**16,608**	18,608
Additional paid-in capital on preferred stock		**(141)**	(144)
Other		**(246)**	(186)
Total Tier 1 capital under the Standardized and Advanced Approaches	**(A)**	**153,567**	152,866
Long-term debt and other instruments qualifying as Tier 2		**16,736**	17,644
Qualifying allowance for credit losses[2]		**14,659**	14,471
Other		**(280)**	(343)
Total Tier 2 capital under the Standardized Approach	**(B)**	**31,115**	31,772
Total qualifying capital under the Standardized Approach	**(A)+(B)**	**184,682**	184,638
Long-term debt and other instruments qualifying as Tier 2		**16,736**	17,644
Qualifying allowance for credit losses[2]		**4,594**	4,279
Other		**(280)**	(343)
Total Tier 2 capital under the Advanced Approach	**(C)**	**21,050**	21,580
Total qualifying capital under the Advanced Approach	**(A)+(C)**	**174,617**	174,446

[1] Determined by applying the combined federal statutory rate and composite state income tax rates to the difference between book and tax basis of the respective goodwill and intangible assets at period-end.

[2] Differences between the approaches are driven by the qualifying amounts of ACL includable in Tier 2 capital. Under the Advanced Approach, eligible credit reserves represented by the amount of qualifying ACL in excess of expected credit losses (using regulatory definitions) is limited to 0.60% of Advanced credit RWAs, whereas the Standardized Approach includes ACL in Tier 2 capital up to 1.25% of Standardized credit RWAs. Under both approaches, any excess ACL is deducted from the respective total RWAs.

The table below presents an analysis of changes in CET1 for the year ended 31 December 2025.

Analysis of changes in Common Equity Tier 1

	Year ended 31 December 2025
	($ in millions)
Common Equity Tier 1 at 31 December 2024	**134,588**
Net income applicable to common stock	**20,285**
Common stock dividends	**(5,442)**
Common stock issued, repurchased, and stock compensation-related items	**(16,349)**
Changes in accumulated other comprehensive income (loss)	**5,503**
Goodwill	**200**
Certain identifiable intangible assets (other than MSRs)	**(750)**
Goodwill and other intangibles on venture capital investments in consolidated portfolio companies (included in other assets)	**30**
Applicable deferred taxes related to goodwill and other intangible assets[1]	**116**
Other	**(835)**
Change in Common Equity Tier 1	**2,758**
Common Equity Tier 1 at 31 December 2025	**137,346**

[1] Determined by applying the combined federal statutory rate and composite state income tax rates to the difference between book and tax basis of the respective goodwill and intangible assets at period-end.

Tangible Common Equity

The Group also evaluates its business based on certain ratios that utilize tangible common equity. Tangible common equity is a non-GAAP financial measure and represents total equity less preferred equity, noncontrolling interests, goodwill, certain identifiable intangible assets (other than MSRs) and goodwill and other intangibles on venture capital investments in consolidated portfolio companies, net of applicable deferred taxes. The ratios are (i) tangible book value per common share, which represents tangible common equity divided by common shares outstanding; and (ii) return on average tangible common equity (ROTCE), which represents the Group's annualized earnings as a percentage of tangible common equity. The methodology of determining tangible common equity may differ among companies. The

Group's management believes that tangible book value per common share and return on average tangible common equity, which utilize tangible common equity, are useful financial measures because they enable management, investors, and others to assess the Group's use of equity.

The table below provides a reconciliation of these non-GAAP financial measures to GAAP financial measures.

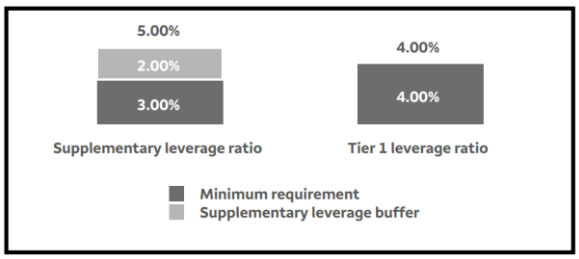
		Balance at period ended			Average balance year ended		
		31 December 2025	31 December 2024	31 December 2023	31 December 2025	31 December 2024	31 December 2023
				($ in millions, except ratios)			
Total equity		**183,038**	181,066	187,443	**183,476**	183,879	184,860
Adjustments:							
Preferred stock		**(16,608)**	(18,608)	(19,448)	**(17,517)**	(18,581)	(19,698)
Additional paid-in capital on preferred stock		**141**	144	157	**142**	147	168
Noncontrolling interests		**(1,920)**	(1,946)	(1,708)	**(1,860)**	(1,751)	(1,844)
Total common stockholders' equity	(A)	**164,651**	160,656	166,444	**164,241**	163,694	163,486
Adjustments:							
Goodwill		**(24,967)**	(25,167)	(25,175)	**(25,082)**	(25,172)	(25,173)
Certain identifiable intangible assets (other than MSRs)		**(823)**	(73)	(118)	**(670)**	(95)	(136)
Goodwill and other intangibles on venture capital investments in consolidated portfolio companies (included in other assets)		**(705)**	(735)	(878)	**(695)**	(895)	(2,083)
Applicable deferred taxes related to goodwill and other intangible assets [(1)]		**1,063**	947	920	**1,016**	935	906
Tangible common equity	(B)	**139,219**	135,628	141,193	**138,810**	138,467	137,000
Common shares outstanding	(C)	**3,092.6**	3,288.9	3,598.9	**N/A**	N/A	N/A
Net income applicable to common stock	(D)	**N/A**	N/A	N/A	**20,285**	18,606	17,982
Book value per common share	(A)/(C)	**53.24**	48.85	46.25	**N/A**	N/A	N/A
Tangible book value per common share	(B)/(C)	**45.02**	41.24	39.23	**N/A**	N/A	N/A
Return on average common stockholders' equity (ROE)	(D)/(A)	**N/A**	N/A	N/A	**12.35%**	11.37%	11.00%
Return on average tangible common equity (ROTCE)	(D)/(B)	**N/A**	N/A	N/A	**14.61%**	13.44%	13.13%

[(1)] Determined by applying the combined federal statutory rate and composite state income tax rates to the difference between book and tax basis of the respective goodwill and intangible assets at period-end.

Leverage Requirements

As a BHC, the Group is required to maintain a supplementary leverage ratio ("**SLR**") to avoid restrictions on capital distributions and discretionary bonus payments and maintain a minimum Tier 1 leverage ratio. The table below presents the leverage requirements applicable to the Group as of 31 December 2025.

Leverage Requirements Applicable to the Group



In addition, the Group's IDIs are required to maintain an SLR of at least 6.00% and a minimum Tier 1 leverage ratio of 5.00% to be considered well-capitalized under applicable regulatory capital adequacy rules. At 31 December 2025, each of the Group's IDIs exceeded their applicable SLR and Tier 1 leverage requirements.

In November 2025, federal banking regulators issued a rule to modify the leverage requirements. The rule will replace the amount of the supplementary leverage buffer for the Group with an amount equal to half of the Group's G-SIB capital surcharge calculated under method one. Similarly, the rule will replace the

amount of the supplementary leverage buffer for the Group's IDIs with an amount equal to half of the Group's G-SIB capital surcharge calculated under method one, with the buffer capped at 1.00%. The rule becomes effective on 1 April 2026, with early adoption permitted beginning 1 January 2026. The Group intends to adopt this rule effective 1 January 2026.

Leverage ratios for the Group

		Quarter ended 31 December 2025
		($ in millions, except ratios)
Tier 1 capital	(A)	**153,567**
Total consolidated assets		**2,148,631**
Adjustments:		
Derivatives[1]		**75,158**
Repo-style transactions[2]		**11,337**
Credit equivalent amounts of other off-balance sheet exposures		**327,081**
Other[3]		**(95,584)**
Total adjustments		**317,992**
Total leverage exposure	(B)	**2,466,623**
Supplementary leverage ratio	(A)/(B)	**6.23%**
Total adjusted average assets [4]	(C)	**2,052,117**
Tier 1 leverage ratio	(A)/(C)	**7.48%**

(1) Adjustment represents derivatives and collateral netting exposures as defined for supplementary leverage ratio determination purposes.
(2) Adjustment represents counterparty credit risk for repo-style transactions where Wells Fargo & Company is the principal counterparty facing the client.
(3) Adjustment represents other permitted Tier 1 capital deductions and certain other adjustments as determined under capital rule requirements.
(4) Represents total average assets less goodwill and other permitted Tier 1 capital deductions.

Total Loss Absorbing Capacity

As a G-SIB, the Group is required to have a minimum amount of equity and unsecured long-term debt for purposes of resolvability and resiliency, often referred to as TLAC. U.S. G-SIBs are required to have a minimum amount of TLAC (consisting of CET1 capital and additional Tier 1 capital issued directly by the top-tier or covered BHC plus eligible external long-term debt) to avoid restrictions on capital distributions and discretionary bonus payments as well as a minimum amount of eligible unsecured long-term debt. The components used to calculate the Group's minimum TLAC and eligible unsecured long-term debt requirements as of 31 December 2025, are presented in the table below.

Components Used to Calculate TLAC and Eligible Unsecured Long-Term Debt Requirements

TLAC requirement

Greater of:

18.00% of RWAs + TLAC buffer (equal to 2.50% of RWAs + method one G-SIB capital surcharge + any countercyclical buffer)	7.50% of total leverage exposure (the denominator of the SLR calculation) + External TLAC leverage buffer (equal to 2.00% of total leverage exposure)

Minimum amount of eligible unsecured long-term debt

Greater of:

6.00% of RWAs + Greater of method one and method two G-SIB capital surcharge	4.50% of total leverage exposure

In August 2023, the FRB proposed rules that would, among other things, modify the calculation of eligible long-term debt that counts towards the TLAC requirements, which would reduce the Group's TLAC ratios. In addition, in November 2025, federal banking regulators issued a rule to modify the leverage requirements, which will also impact the TLAC and eligible unsecured long-term debt requirements. The rule will (i) replace the external TLAC leverage buffer of 2.00% of total leverage exposure with a buffer

equal to half of the Group's method one G-SIB capital surcharge, and (ii) replace the minimum leverage-based long-term debt requirement of 4.50% of total leverage exposure with a minimum equal to 2.50% of total leverage exposure plus a buffer equal to half of the Group's method one G-SIB capital surcharge. The rule becomes effective on 1 April 2026, with early adoption permitted beginning 1 January 2026. The Group intends to adopt this rule effective 1 January 2026.

The table below provides the Group's TLAC and eligible unsecured long-term debt and related ratios.

TLAC and Eligible Unsecured Long-Term Debt

	31 December 2025			
(*$ in millions, except for percentages*)	**TLAC**	**Regulatory Minimum [1]**	**Eligible Unsecured Long-term Debt**	**Regulatory Minimum**
Total eligible amount	**300,597**		**141,576**	
Percentage of RWAs [2]	**23.22%**	21.50%	**10.94%**	7.50%
Percentage of total leverage exposure	**12.19%**	9.50%	**5.74%**	4.50%

(1) Represents the minimum required to avoid restrictions on capital distributions and discretionary bonus payments.
(2) The Group's minimum TLAC and eligible unsecured long-term debt requirements are calculated based on the greater of RWAs determined under the Standardized and Advanced Approaches.

Other regulatory capital and liquidity matters

The Group is subject to a rule issued by the FRB, OCC and FDIC that establishes a quantitative minimum requirement, liquidity known as the liquidity coverage ratio ("**LCR**"). The rule requires a covered banking organization to hold high-quality liquid assets ("**HQLA**") in an amount equal to or greater than its projected net cash outflows during a 30-day stress period. The Group's HQLA under the rule mainly consists of central bank deposits, government debt securities, and federal agency mortgage-backed securities. The LCR applies to the Group and to its IDIs with total assets of $10 billion or more. In addition, rules issued by the FRB impose enhanced liquidity risk management standards on large BHCs, such as the Guarantor.

The Group is also subject to a rule issued by the FRB, OCC and FDIC that establishes a stable funding requirement, known as the net stable funding ratio ("**NSFR**"). The NSFR requires a covered banking organization, such as the Group, to maintain a minimum amount of stable funding, including common equity, long-term debt and most types of deposits, in relation to its assets, derivative exposures and commitments over a one-year horizon period. The NSFR applies to the Group and to its IDIs with total assets of $10 billion or more. As of 31 December 2025, the Group was compliant with the NSFR requirement.

The Guarantor's principal U.S. broker-dealer subsidiaries, Wells Fargo Securities, LLC, and Wells Fargo Clearing Services, LLC, are subject to regulations to maintain minimum net capital requirements. As of 31 December 2025, these broker-dealer subsidiaries were in compliance with their respective regulatory minimum net capital requirements.

Capital Planning and Stress Testing

The Group's planned long-term capital structure is designed to meet regulatory and market expectations. The Group believes its long-term targeted capital structure enables it to invest in and grow its business, satisfy its customers' financial needs in varying environments, access markets, and maintain flexibility to return capital to its shareholders. The Group's long-term targeted capital structure also considers capital levels sufficient to exceed capital requirements, including the G-SIB capital surcharge and the SCB, as well as potential changes to regulatory requirements for the Group's capital ratios, planned capital actions, changes in its risk profile and other factors. Accordingly, the Group's long-term target capital levels are set above their respective regulatory minimums plus buffers.

The FRB capital plan rule establishes capital planning and other requirements that govern capital distributions, including dividends and share repurchases, by certain BHCs, including the Guarantor. The FRB assesses, among other things, the overall financial condition, risk profile, and capital adequacy of BHCs when evaluating their capital plans.

As part of the annual CCAR, the FRB generates a supervisory stress test. The FRB reviews the supervisory stress test results as required under the Dodd-Frank Act using a common set of capital actions for all large BHCs and also reviews the Group's proposed capital actions.

Federal banking regulators also require large BHCs and banks to conduct their own stress tests to evaluate whether the institution has sufficient capital to continue to operate during periods of adverse economic and financial conditions.

During 2025, the Guarantor issued $1.1 billion of common stock, substantially all of which was issued in connection with employee compensation and benefits, and it repurchased 221 million shares of common stock at a cost of $17.7 billion. The Guarantor paid $6.5 billion of common and preferred stock dividends during 2025.

Securities Repurchases

On 29 April 2025, the Group announced that the board of directors of the Guarantor had authorized the repurchase of up to $40 billion of common stock. Unless modified or revoked by the board of directors of the Guarantor, this authorization does not expire. At 31 December 2025, the Guarantor had remaining board authority to repurchase up to approximately $29.8 billion of common stock.

Various factors impact the amount and timing of the Group's share repurchases, including the earnings, cash requirements and financial condition of the Group, the impact to the Group's balance sheet of expected customer activity, the Group's capital requirements and long-term targeted capital structure, the results of supervisory stress tests, market conditions (including the trading price of the Guarantor's stock), and regulatory and legal considerations, including regulatory requirements under the FRB's capital plan rule. Although the Group announces when the board of directors of the Guarantor authorizes a share repurchase program, the Group typically does not give any public notice before it repurchases its shares. Due to the various factors that may impact the amount and timing of the Group's share repurchases and the fact that it may be in the market throughout the year, the Group's share repurchases occur at various prices. The Group may suspend share repurchase activity at any time.

Furthermore, the Group has a variety of benefit plans in which employees may own or obtain shares of the Guarantor's common stock. The Group may buy shares from these plans to accommodate employee preferences and these purchases are subtracted from its repurchase authority.

Regulation and Supervision

The U.S. financial services industry is subject to significant regulation and regulatory oversight initiatives. This regulation and oversight may continue to impact how U.S. financial services companies conduct business and may continue to result in increased regulatory compliance costs. Banking statutes, regulations and policies are continually under review by Congress and state legislatures and federal and state regulatory agencies, as well as non-U.S. governments and financial regulators, and a change in them, including changes in how they are interpreted or implemented, could have a material effect on the Group's business. The regulatory framework applicable to depository institutions and BHCs is intended to protect depositors, the federal deposit insurance fund, consumers and the banking system as a whole, and not necessarily investors in BHCs such as the Guarantor.

Statutes, regulations, and policies could restrict the Group's ability to diversify into other areas of financial services, make acquisitions, and pay dividends or repurchase the Group's capital stock. They may also require the Guarantor to provide financial support to one or more of its subsidiary banks, maintain capital in excess of amounts desired by management, and pay higher deposit insurance premiums as a result of assessments or a general deterioration in the financial condition of depository institutions.

The following describes the material elements of the regulatory framework applicable to the Group and the more significant regulations and regulatory oversight initiatives that have affected or may affect its business. For additional information about the regulatory matters discussed below and other regulations and regulatory oversight matters, see Note 25 (*Regulatory Capital Requirements and Other Restrictions*) to the audited financial statements in the Guarantor's 2025 Annual Report.

General

Parent Bank Holding Company

As a BHC, the Guarantor is subject to regulation under the BHC Act and to inspection, examination and supervision by its primary regulator, the FRB. The Guarantor is also subject to the disclosure and regulatory requirements of the Securities Act and the Exchange Act, both as administered by the SEC. As a company with securities listed on the New York Stock Exchange ("**NYSE**"), the Guarantor is subject to the rules of the NYSE for listed companies.

Subsidiary Banks

The Guarantor's subsidiary national banks, and their subsidiaries, are subject to regulation and examination primarily by the OCC and also by the FDIC, the FRB, the Consumer Financial Protection Bureau (the "**CFPB**"), the SEC and the Commodity Futures Trading Commission ("**CFTC**"). The non-U.S. branches, subsidiaries and offices of the Guarantor's subsidiary national banks are subject to regulation and examination by their respective financial regulators as well as by the OCC and the FRB. Non-U.S. operations of the Guarantor's national bank subsidiaries may be subject to the laws and regulations of the countries in which they conduct business.

Nonbank Subsidiaries

Many of the Guarantor's nonbank subsidiaries are also subject to regulation by the FRB and other applicable federal and state agencies. The Guarantor's insurance subsidiaries are subject to regulation by applicable state insurance regulatory agencies, as well as the FRB. The Guarantor's brokerage subsidiaries are regulated by the SEC, the Financial Industry Regulatory Authority and, in some cases, the CFTC and the Municipal Securities Rulemaking Board, and state securities regulators. The Guarantor's other nonbank subsidiaries may be subject to the laws and regulations of the federal government and/or the various states as well as non-U.S. countries in which they conduct business or operate.

Consent Orders and Other Regulatory Actions

From time to time, the Group is subject to consent orders and other regulatory actions, which may require the Group, among other things, to undertake certain changes to its business, operations, products and services, and risk management practices, and include the following.

Federal Reserve Board Consent Order Regarding Governance Oversight and Compliance and Operational Risk Management

On 2 February 2018, the Group entered into a consent order with the FRB requiring the board of directors of the Guarantor to further enhance its governance and oversight of the Group, and the Group to further improve its compliance and operational risk management program. On 3 June 2025, the Group confirmed that the FRB had removed the Group's limitation on growth in total assets imposed in the consent order. On 5 March 2026, the Group announced that the FRB terminated the consent order.

Formal Agreement with the OCC Regarding Anti-Money Laundering and Sanctions Risk Management Practices

On 12 September 2024, the Group announced that the Bank entered into a formal agreement with the OCC requiring the Bank to enhance its anti-money laundering and sanctions risk management practices.

For information regarding certain additional past consent orders, see the sections entitled "*Consent Orders with the Consumer Financial Protection Bureau and Office of the Comptroller of the Currency Regarding Compliance Risk Management Program*" and "*Consent Order with the OCC Regarding Loss Mitigation Activities*" on page 2 in the section entitled "*Financial Review – Overview*" in the 2024 Annual Report to Stockholders of the Guarantor. On 17 March 2025, the Guarantor announced the consent order with the OCC regarding the loss mitigation activities had terminated, and on 28 April 2025, the Guarantor announced the consent order with the CFPB regarding the Group's compliance risk management program had terminated.

Parent Bank Holding Company Activities

"Financial in Nature" Requirement

The Guarantor became a financial holding company ("**FHC**") effective 13 March 2000. The Guarantor continues to maintain its status as a BHC for purposes of various FRB regulations. As a BHC that has elected to be treated as an FHC pursuant to the BHC Act, the Guarantor may affiliate with securities firms and insurance companies and engage in other activities that are financial in nature or incidental or complementary to activities that are financial in nature. "**Financial in nature**" activities include securities underwriting, dealing and market making; sponsoring mutual funds and investment companies; insurance underwriting and agency; merchant banking; and activities that the FRB, in consultation with the Secretary of the U.S. Treasury, determines to be financial in nature or incidental to such financial activity. "**Complementary activities**" are activities that the FRB determines upon application to be complementary to a financial activity and do not pose a safety and soundness risk. Financial in nature activities and incidental or complementary activities are collectively referred to below as "financial activities".

FRB approval is generally not required for the Group to acquire a company (other than a BHC, bank or savings association) engaged in financial activities, as determined by the FRB. Prior notice to the FRB may be required, however, if the company to be acquired has total consolidated assets of $10 billion or more. Prior FRB approval is required before the Group may acquire the beneficial ownership or control of more than 5% of the voting shares or substantially all of the assets of a BHC, bank or savings association. BHCs are also subject to prohibitions on the ability to merge, acquire all or substantially all of the assets of, or acquire control of another company if the total resulting consolidated liabilities would exceed 10% of the aggregate consolidated liabilities of all financial companies.

Because the Guarantor is an FHC, if any of its applicable subsidiary banks receives a rating under the Community Reinvestment Act of 1977, as amended ("**CRA**"), of less than satisfactory, it will be prohibited, until the rating is raised to satisfactory or better, from engaging in certain new financial activities or acquiring certain companies engaged in financial activities. CRA performance is also considered by regulators in reviewing applications to establish bank branches. In addition, if the FRB finds that an FHC or any one of its subsidiary banks is not well capitalized or well managed, the FHC would be required to enter into an agreement with the FRB to comply with all applicable capital and management requirements and which may contain additional limitations or conditions. Until corrected, the FHC could be prohibited from engaging in any new financial activity or acquiring companies engaged in financial activities without prior FRB approval. If the FHC fails to correct any such condition within a prescribed period, the FRB could order the FHC to divest any of its banking subsidiaries or, in the alternative, to cease engaging in financial activities.

Interstate Banking

A BHC may acquire banks in states other than its home state, subject to any state requirement that the bank has been organized and operating for a minimum period of time, not to exceed five years, and the requirement that the BHC not control, prior to or following the proposed acquisition, more than 10% of the total amount of deposits of IDIs nationwide or, unless the acquisition is the bank holding company's initial entry into the state, more than 30% of such deposits in the state (or such lesser or greater amount set by the state). Banks are also authorized to merge across state lines, subject to the same deposit limits noted above, thereby creating interstate branches. Banks are also permitted to acquire and to establish new branches in other states.

Regulatory Approval

In determining whether to approve a proposed bank acquisition, federal banking regulators will consider, among other factors, the effect of the acquisition on competition, financial condition, and future prospects including current and projected capital ratios and levels, the competence, experience, and integrity of management and record of compliance with laws and regulations, the convenience and needs of the communities to be served, including the acquiring institution's record of compliance under the CRA, the effectiveness of the acquiring institution in combating money laundering activities and the risk to the stability of the United States banking system.

Holding Company Structure

Transfer of Funds from Subsidiary Banks

The Guarantor's subsidiary banks are subject to restrictions under federal law that limit the transfer of funds or other assets from such subsidiaries to the Guarantor and its nonbank subsidiaries (including affiliates) in so-called "**covered transactions**". In general, covered transactions include loans and other extensions of credit, investments and asset purchases, as well as certain other transactions involving the transfer of value from a subsidiary bank to an affiliate or for the benefit of an affiliate. Unless an exemption applies, covered transactions by a subsidiary bank with a single affiliate are limited to 10% of the subsidiary bank's capital and surplus and, with respect to all covered transactions with affiliates in the aggregate, to 20% of the subsidiary bank's capital and surplus.

Also, loans and extensions of credit to affiliates generally must be secured by qualifying collateral. A bank's transactions with its nonbank affiliates are also generally required to be on arm's length terms. The Guarantor's subsidiary banks are also subject to lending limits and qualitative requirements on loans to executive officers, directors and principal shareholders of the Guarantor and its subsidiary banks.

Source of Strength

The FRB has a policy that a BHC is expected to act as a source of financial and managerial strength to each of its subsidiary banks and, under appropriate circumstances, to commit resources to support each such subsidiary bank. This support may be required at times when the BHC may not have the resources to provide the support.

The OCC may order an assessment of the Guarantor if the capital of one of its national bank subsidiaries were to become impaired. If the Guarantor failed to pay the assessment within three months, the OCC could order the sale of the Guarantor's stock in the national bank to cover the deficiency.

Depositor Preference

In the event of the "**liquidation or other resolution**" of an IDI, the claims of deposits payable in the United States (including the claims of the FDIC as subrogee of insured depositors) and certain claims for administrative expenses of the FDIC as a receiver will have priority over other general unsecured claims against the institution. If an IDI fails, claims of insured and uninsured U.S. depositors, along with claims of the FDIC, will have priority in payment ahead of unsecured creditors, including the Guarantor, and depositors whose deposits are solely payable at such IDI's non-U.S. offices.

Liability of Commonly Controlled Institutions

The Guarantor's subsidiaries include banks in the U.S., such as the Bank, that are insured by the FDIC. Under the Federal Deposit Insurance Act (the "**FDI Act**"), IDIs can be held liable for any loss incurred, or reasonably expected to be incurred, by the FDIC due to the default of an IDI controlled by the same BHC, and for any assistance provided by the FDIC to an IDI that is in danger of default and that is controlled by the same BHC. "**Default**" means generally the appointment of a conservator or receiver. "**In danger of default**" means generally the existence of certain conditions indicating that a default is likely to occur in the absence of regulatory assistance.

Enhanced Supervision and Regulation of Systemically Important Firms

The Dodd-Frank Act grants broad authority to federal banking regulators to establish enhanced supervisory and regulatory requirements for systemically important firms. The FRB has a number of regulations implementing enhanced prudential requirements for large BHCs like the Group regarding risk-based capital and leverage, risk and liquidity management, single counterparty credit limits, and imposing debt-to-equity limits on any BHC that regulators determine poses a grave threat to the financial stability of the United States. The FRB and OCC also have rules implementing stress testing requirements for large BHCs and national banks. Furthermore, to promote a BHC's safety and soundness and the financial and operational resilience of its operations, the FRB has established expectations regarding effective boards of directors of large BHCs. The OCC, under separate authority, has issued guidelines establishing heightened governance and risk management standards for large national banks such as the Bank. The OCC guidelines require covered banks to establish and adhere to a written risk governance framework to manage and control their

risk-taking activities. The guidelines also formalize roles and responsibilities for risk management practices within covered banks and create certain risk oversight responsibilities for their boards of directors.

Regulatory Capital, Leverage and Liquidity Requirements

The Group and each of its IDIs are subject to various regulatory capital adequacy and liquidity requirements administered by the FRB and the OCC. The capital rules, among other things, establish required minimum ratios relating capital to different categories of assets and exposures. Federal banking regulators have also imposed a leverage ratio and supplementary leverage ratio on large BHCs, like the Group, and their IDIs, as well as a liquidity coverage ratio and a net stable funding ratio. In addition, the Group is required to have a minimum amount of equity and unsecured long-term debt, often referred to as total loss absorbing capacity, for purposes of resolvability and resiliency.

From time to time, federal banking regulators propose changes and amendments to, and issue interpretations of, risk-based capital requirements and related reporting instructions. In addition, the FRB closely monitors capital levels of the institutions it supervises and may require such institutions to modify capital levels based on FRB determinations. Such determinations, proposals or interpretations could, if implemented in the future, affect the Group's reported capital ratios and net risk-adjusted assets.

As an additional means to identify problems in the financial management of depository institutions, the FDI Act requires federal banking regulators to establish certain non-capital safety and soundness standards for institutions for which they are the primary federal regulator. The standards relate generally to operations and management, asset quality, interest rate exposure, executive compensation and risk management. Federal banking regulators are authorized to take action against institutions that fail to meet such standards.

The FDI Act requires federal banking regulators to take "**prompt corrective action**" with respect to FDIC-IDIs that do not meet minimum capital requirements. A depository institution's treatment for purposes of the prompt corrective action provisions will depend upon how its capital levels compare to various capital measures and certain other factors, as established by regulation.

In addition, the FRB's capital plan rule establishes capital planning and other requirements that govern capital distributions, including dividends and share repurchases, by certain BHCs, including the Guarantor. Federal banking regulators also require stress tests to evaluate whether an institution has sufficient capital to continue to operate during periods of adverse economic and financial conditions.

"Living Will" Requirements and Related Matters

Living Will

Rules adopted by the FRB and the FDIC under the Dodd-Frank Act require large financial institutions, including the Group, to prepare and periodically submit resolution plans, also known as "living wills", designed to facilitate their rapid and orderly resolution in the event of material financial distress or failure. Under the rules, rapid and orderly resolution means a reorganization or liquidation of a covered company under the U.S. Bankruptcy Code that can be accomplished in a reasonable period of time and in a manner that substantially mitigates the risk that failure would have serious adverse effects on the financial stability of the United States. In addition to the Group's resolution plan, the Bank is also required to prepare and periodically submit a resolution plan. If the FRB and FDIC determine that the Group's resolution plan has deficiencies, they may impose more stringent capital, leverage or liquidity requirements on it or restrict its growth, activities or operations until it adequately remedy the deficiencies. If the FRB and FDIC ultimately determine that the Group has been unable to remedy any deficiencies, they could require it to divest certain assets or operations.

If the Group were to fail, it may be resolved in a bankruptcy proceeding or, if certain conditions are met, under the resolution regime created by the Dodd-Frank Act known as the "orderly liquidation authority". The orderly liquidation authority allows for the appointment of the FDIC as receiver for a systemically important financial institution that is in default or in danger of default if, among other things, the resolution of the institution under the U.S. Bankruptcy Code would have serious adverse effects on financial stability in the United States. If the FDIC is appointed as receiver for the Guarantor, then the orderly liquidation authority, rather than the U.S. Bankruptcy Code, would determine the powers of the receiver and the rights and obligations of the Guarantor's security holders. The FDIC's orderly liquidation authority requires that security holders of a company in receivership bear all losses before U.S. taxpayers are exposed to any

losses. There are substantial differences in the rights of creditors between the orderly liquidation authority and the U.S. Bankruptcy Code, including the right of the FDIC to disregard the strict priority of creditor claims under the U.S. Bankruptcy Code in certain circumstances and the use of an administrative claims procedure instead of a judicial procedure to determine creditors' claims.

The strategy described in the Group's most recent resolution plan is a single point of entry strategy, in which the Guarantor would be the only material legal entity to enter resolution proceedings. However, the strategy described in the Group's resolution plan is not binding in the event of an actual resolution of the Group, whether conducted under the U.S. Bankruptcy Code or by the FDIC under the orderly liquidation authority. The FDIC has announced that a single point of entry strategy may be a desirable strategy under its implementation of the orderly liquidation authority, but not all aspects of how the FDIC might exercise this authority are known and additional rulemaking is possible.

To facilitate the orderly resolution of systemically important financial institutions in case of material distress or failure, federal banking regulations require that institutions, such as the Group, maintain a minimum amount of equity and unsecured debt to absorb losses and recapitalize operating subsidiaries. Federal banking regulators have also required measures to facilitate the continued operation of operating subsidiaries notwithstanding the failure of their parent companies, such as limitations on parent guarantees, and have issued guidance encouraging institutions to take legally binding measures to provide capital and liquidity resources to certain subsidiaries to facilitate an orderly resolution.

Support Agreement

In response to the regulators' guidance and to facilitate the orderly resolution of the Group, on 28 June 2017, the Guarantor entered into a support agreement, as amended and restated on 26 June 2019 (the "**Support Agreement**"), with WFC Holdings, LLC, an intermediate holding company and subsidiary of the Guarantor (the "**IHC**"), the Bank, Wells Fargo Securities, LLC ("**WFS**"), Wells Fargo Clearing Services, LLC ("**WFCS**"), and certain other subsidiaries of the Guarantor designated from time to time as material entities for resolution planning purposes (the "**Covered Entities**") or identified from time to time as related support entities in the Group's resolution plan (the "**Related Support Entities**"). Pursuant to the Support Agreement, the Guarantor transferred a significant amount of its assets, including the majority of its cash, deposits, liquid securities and intercompany loans (but excluding its equity interests in its subsidiaries and certain other assets), to the IHC and will continue to transfer those types of assets to the IHC from time to time. In the event of the Guarantor's material financial distress or failure, the IHC will be obligated to use the transferred assets to provide capital and/or liquidity to the Bank, WFS, WFCS, and the Covered Entities pursuant to the Support Agreement. Under the Support Agreement, the IHC will also provide funding and liquidity to the Guarantor through subordinated notes and a committed line of credit, which, together with the issuance of dividends, is expected to provide the Guarantor, during business as usual operating conditions, with the same access to cash necessary to service its debts, pay dividends, repurchase its shares, and perform its other obligations as it would have had if it had not entered into these arrangements and transferred any assets. If certain liquidity and/or capital metrics fall below defined triggers, or if the Guarantor's board of directors authorizes it to file a case under the U.S. Bankruptcy Code, the subordinated notes would be forgiven, the committed line of credit would terminate, and the IHC's ability to pay dividends to the Guarantor would be restricted, any of which could materially and adversely impact the Guarantor's liquidity and its ability to satisfy its debts and other obligations, and could result in the commencement of bankruptcy proceedings by the Guarantor at an earlier time than might have otherwise occurred if the Support Agreement were not implemented. The respective obligations under the Support Agreement of the Guarantor, the IHC, the Bank, and the Related Support Entities are secured pursuant to a related security agreement.

Recovery Plan

In addition to the Group's resolution plans, the Group must also prepare and periodically submit to the FRB a recovery plan that identifies a range of options that the Group may consider during times of idiosyncratic or systemic economic stress to remedy any financial weaknesses and restore market confidence without extraordinary government support. Recovery options include the possible sale, transfer or disposal of assets, securities, loan portfolios or businesses. The Bank must also prepare and periodically submit to the OCC a recovery plan that sets forth the Bank's plan to remain a going concern when the Bank is experiencing considerable financial or operational stress, but has not yet deteriorated to the point where liquidation or resolution is imminent. If either the FRB or the OCC determines that the Group's recovery plan is deficient, they may impose fines, restrictions on the Group's business or ultimately require the

Group to divest assets. In October 2025, the OCC proposed a rule that would rescind their recovery planning guidelines.

Dividend and Share Repurchase Restrictions

The Guarantor is a legal entity separate and distinct from its subsidiary banks and other subsidiaries. A significant source of funds to pay dividends on the Guarantor's common and preferred stock and principal and interest on its debt is dividends from its subsidiaries. Various federal and state statutory provisions and regulations limit the amount of dividends the Guarantor's subsidiary banks and certain other subsidiaries may pay without regulatory approval. Federal banking regulators have the authority to prohibit the Guarantor's subsidiary banks from engaging in unsafe or unsound practices in conducting their businesses. The payment of dividends, depending on the financial condition of the bank in question, could be deemed an unsafe or unsound practice. Similarly, as part of their supervisory authority, regulators may limit or restrict subsidiary capital distributions. The ability of the Guarantor's subsidiary banks to pay dividends in the future is currently, and could be further, influenced by bank regulatory policies and capital requirements. For more information about the restrictions applicable to the Guarantor's subsidiary banks, see Note 25 (*Regulatory Capital Requirements and Other Restrictions*) to the audited financial statements in the Guarantor's 2025 Annual Report.

Furthermore, under the Support Agreement, the IHC may be restricted from making dividend payments to the Guarantor if certain liquidity and/or capital metrics fall below defined triggers, or if the Guarantor's board of directors authorizes it to file a case under the U.S. Bankruptcy Code. Any such restriction could materially and adversely impact the Guarantor's liquidity and its ability to satisfy its debt and other obligations, as well as its ability to make dividend payments on its common and preferred stock.

In addition to these restrictions on the ability of the Guarantor's subsidiary banks to pay dividends to it, the FRB requires large BHCs, including the Guarantor, to submit annual capital plans describing planned capital distributions, such as the payment of dividends and share repurchases. Large BHCs, like the Guarantor, and their IDIs also must comply with various capital requirements, including the reforms known as Basel III, as well as rules that establish leverage and supplementary leverage ratio requirements. The Guarantor is also subject to the FRB's rule implementing an additional capital surcharge on those U.S. banking organizations, such as the Guarantor, that are designated as G-SIBs. The failure to meet any of these requirements could result in limitations or restrictions on the Guarantor's ability to make capital distributions.

In addition, the FRB's enhanced supervision regulations for large BHCs, like the Guarantor, impose capital distribution restrictions, including on the payment of dividends, upon the occurrence of capital, stress test, risk management, or liquidity risk management triggers.

Deposit Insurance Assessments

The Guarantor's subsidiaries include banks, such as the Bank, that are insured by the FDIC. Through the Deposit Insurance Fund (the "**DIF**") maintained by the FDIC, the FDIC insures the deposits of the Group's insured banks up to prescribed limits for each depositor and funds the DIF through assessments on member banks. To maintain the DIF, member institutions are assessed an insurance premium based on an assessment base and an assessment rate.

The FDIC has adopted a comprehensive, long-range plan for DIF management, targeting a designated reserve ratio of 2%. In addition, the FDIC may recover by special assessment on member banks losses to the DIF as a result of resolving a failed bank. For more information about the Group's FDIC deposit assessment expense, see Note 20 (*Revenue and Expenses*) to the audited financial statements in the Guarantor's 2025 Annual Report.

The FDIC may terminate a depository institution's deposit insurance upon a finding that the institution's financial condition is unsafe or unsound or that the institution or its directors have engaged in unsafe or unsound practices or have violated any applicable law, regulation, order or condition enacted or imposed by the institution's regulatory agency. The termination of deposit insurance for one or more of the Guarantor's bank subsidiaries could result in a significant loss of deposits and have a material adverse effect on its liquidity and earnings, depending on the collective size of the particular banks involved.

Fiscal and Monetary Policies

The Group's business and earnings are affected significantly by the fiscal and monetary policies of the federal government and its agencies. The Group is particularly affected by the monetary policies of the FRB, which regulates the supply of money and credit in the United States. Among the instruments of monetary policy available to the FRB are (a) conducting open market operations in United States government securities, (b) changing the discount rates of borrowings of depository institutions, (c) imposing or changing reserve requirements against depository institutions' deposits, and (d) imposing or changing reserve requirements against certain borrowings by banks and their affiliates. These methods are used in varying degrees and combinations to directly affect the availability of bank loans and deposits, as well as the interest rates charged on loans and paid on deposits. The policies of the FRB may have a material effect on the Group's business, results of operations and financial condition.

Privacy Provisions and the Sharing of Personal Financial Data

Privacy Provisions

Federal banking regulators, as required under the Gramm-Leach- Bliley Act ("**GLB Act**"), have adopted rules limiting the ability of banks and other financial institutions to disclose non-public information about consumers to non-affiliated third parties. The rules require disclosure of privacy policies to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to non-affiliated third parties. The privacy provisions of the GLB Act affect how consumer information is transmitted through diversified financial services companies and conveyed to outside vendors. The Fair Credit Reporting Act imposes requirements regarding sharing certain information about consumers among affiliated companies. Under these requirements, consumers have the option to opt out from affiliated companies sharing certain information among the affiliates, depending on the information and purpose of sharing.

Personal Financial Data Rights

In October 2024, the CFPB issued a rule pursuant to Section 1033 of the Dodd-Frank Act that requires financial service providers to make consumers' data available upon request to consumers and authorized third parties. Given the rule's requirement to share customer information with authorized third parties, some of whom could be non-financial institutions, the rule could result in increased fraud, data misuse, and competition. In October 2025, a federal court stayed the rule's compliance deadline pending the CFPB's reassessment of the rule.

Regulation of Consumer Financial Products

Consumer financial products are subject to numerous and, in many cases, highly complex federal and state consumer protection laws and regulations. In particular, the CFPB implements and enforces regulations designed to ensure that consumers receive timely, clear, and accurate disclosures regarding financial products and are protected from unfair, deceptive or abusive practices. The CFPB has rules impacting consumer financial products, including rules impacting residential mortgage lending, credit cards, and other financial products and banking related activities, as well as the fees that may be charged for certain banking products and services. In addition, the CFPB may conduct ongoing supervisory examination activities of the financial services industry with respect to a number of consumer businesses and products, including mortgage lending and servicing, fair lending requirements, and auto finance.

Regulation of Swaps and Other Derivatives Activities

The CFTC and the SEC have adopted comprehensive sets of rules regulating swaps and security-based swaps, respectively, and the OCC and other federal regulatory agencies have adopted margin requirements for uncleared swaps and security-based swaps. As a registered swap dealer and a conditionally-registered security-based swap dealer, the Bank is subject to these rules.

Sarbanes-Oxley

Sarbanes-Oxley implemented a broad range of corporate governance and accounting measures designed to increase corporate responsibility, provide for enhanced penalties for accounting and auditing improprieties at publicly traded companies, and protect investors by improving the accuracy and reliability of disclosures under federal securities laws. The Group is subject to Sarbanes-Oxley because it is required

to file periodic reports with the SEC under the Exchange Act. Among other things, Sarbanes-Oxley and/ or its implementing regulations established membership requirements and additional responsibilities for the Group's audit committee, imposed restrictions on the relationship between the Group and its outside auditors (including restrictions on the types of non-audit services the Group's auditors may provide to it), imposed additional responsibilities for the Group's external financial statements on its chief executive officer and chief financial officer, expanded the disclosure requirements for its corporate insiders, required its management to evaluate its disclosure controls and procedures and its internal control over financial reporting, and required its independent registered public accounting firm to issue a report on its internal control over financial reporting.

USA PATRIOT Act

The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**USA PATRIOT Act**") is intended to strengthen the ability of U.S. law enforcement agencies and intelligence communities to work together to combat terrorism on a variety of fronts. The USA PATRIOT Act has significant implications for depository institutions, brokers, dealers and other businesses involved in the transfer of money. The USA PATRIOT Act requires the implementation of policies and procedures relating to anti-money laundering, economic sanctions, suspicious activities, and currency transaction reporting and due diligence on customers. The USA PATRIOT Act also requires federal banking regulators to evaluate the effectiveness of an applicant in combating money laundering in determining whether to approve a proposed bank acquisition.

Future Legislation or Regulation

Economic, market and political conditions during the past several years have led to a significant amount of legislation and regulation in the U.S. and abroad affecting the financial services industry, as well as heightened expectations and scrutiny of financial services companies from banking regulators. Further legislative changes and additional regulations may change the Group's operating environment in substantial and unpredictable ways. Such legislation and regulations or any change in regulatory expectations could increase the Group's cost of doing business, affect its compensation structure, restrict or expand the activities in which it may engage or affect its competitive landscape. The Group cannot predict whether future legislative proposals will be enacted and, if enacted, the effect that they, or any implementing regulations, would have on the Group's business, results of operations or financial condition.

Legal Actions

The Group is involved in a number of judicial, regulatory, governmental, arbitration, and other proceedings or investigations that expose the Group to potential financial losses or other adverse consequences. These proceedings and investigations include actions brought against the Guarantor and/or its subsidiaries with respect to corporate-related matters and transactions in which the Guarantor and/or its subsidiaries were involved. In addition, the Guarantor and its subsidiaries may be requested to provide information to or otherwise cooperate with government authorities in the conduct of investigations of other persons or industry groups.

The Group recognizes accruals for legal actions when potential losses associated with the actions become probable and the costs can be reasonably estimated. For such accruals, the Group recognizes the amount it considers to be the best estimate within a range of potential losses that are both probable and estimable. If the Group cannot determine a best estimate, then the Group recognizes the low end of the range of those potential losses. There can be no assurance as to the ultimate outcome of legal actions, including the matters described below, and the actual costs of resolving legal actions may be substantially higher or lower than the amounts accrued for those actions.

Advisory Account Cash Sweep Litigation

Putative class actions have been filed in federal district courts alleging that the Group breached its fiduciary duties or agreements with regard to rates paid to investment advisory clients in its cash sweep program. These actions have been consolidated in the United States District Court for the Northern District of California.

Anti-Money Laundering and Economic Sanctions Related Investigations

Government authorities are conducting inquiries or investigations regarding issues related to the Group's anti-money laundering and sanctions programs. On 12 September 2024, the Group announced that the Bank entered into a formal agreement with the OCC related to the Bank's anti-money laundering and sanctions risk management practices.

Group 401(k) Plan Litigation

On 26 September 2022, participants in the Group's 401(k) plan filed a putative class action in the United States District Court for the District of Minnesota alleging that the Group violated the Employee Retirement Income Security Act of 1974 in connection with certain transactions associated with the Employee Stock Ownership Plan feature of the Group's 401(k) plan, including the manner in which the 401(k) plan purchased certain securities used in connection with the Group's contributions to the 401(k) plan. On 8 December 2025, the court granted preliminary approval of an agreement pursuant to which the Group agreed to pay $84 million to resolve the lawsuit.

Fair Access to Banking Investigations

Government agencies are conducting inquiries or investigations related to fair access to banking, including pursuant to Executive Order 14331 (Guaranteeing Fair Banking for All Americans), which directed a review by certain government agencies of financial institutions' policies and practices for providing, maintaining, or discontinuing financial products or services to customers or potential customers.

Hiring Practices Matters

Government agencies, including the United States Department of Justice ("**Department of Justice**") and the SEC, have undertaken formal or informal inquiries or investigations regarding the Group's hiring practices related to diversity. The Department of Justice and the SEC have since closed their investigations without taking action. A securities fraud class action has also been filed in the United States District Court for the Northern District of California alleging that the Group and certain of its executive officers made false or misleading statements about the Group's hiring practices related to diversity. On 13 November 2025, the court granted preliminary approval of an agreement pursuant to which the Group agreed to pay $85 million to resolve the securities fraud class action. Allegations related to the Group's hiring practices related to diversity are also among the subjects of a shareholder derivative lawsuit pending in the United States District Court for the Northern District of California. On January 13, 2026, the court granted preliminary approval of an agreement to resolve the shareholder derivative lawsuit.

Home Mortgage Discrimination Litigation

Plaintiffs proposing to represent a class of home mortgage applicants and customers filed putative class actions against the Group alleging that the Group's mortgage lending policies and practices resulted in disparate treatment and disparate impact against minority applicants. These actions have been consolidated in the United States District Court for the Northern District of California. In August 2025, the district court denied class certification and plaintiffs' interlocutory appeal of the decision was denied in January 2026. Similar allegations related to the Group's home mortgage lending practices are also among the subjects of a shareholder derivative lawsuit pending in the United States District Court for the Northern District of California. On 13 January 2026, the court granted preliminary approval of an agreement to resolve the shareholder derivative lawsuit.

Interchange Litigation

Plaintiffs representing a class of merchants have filed putative class actions, and individual merchants have filed individual actions alleging that Visa and Mastercard, as well as certain payment card issuing banks including the Group, unlawfully colluded to set interchange rates associated with Visa and Mastercard payment card transactions and that enforcement of certain Visa and Mastercard rules and alleged tying and bundling of services offered to merchants were anticompetitive. These actions have been consolidated in the United States District Court for the Eastern District of New York. The Group, along with other defendants and entities, are parties to loss and judgment sharing agreements, which provide that they, along with other entities, will share, based on a formula, in any losses or judgments from the relevant litigation. In July 2012, Visa, Mastercard, and the financial institution defendants, including the Group, agreed to pay

a total of approximately $6.6 billion in order to settle the consolidated action. Several merchants opted out of the settlement and are pursuing individual actions. In June 2016, the United States Court of Appeals for the Second Circuit vacated the settlement agreement and reversed and remanded the consolidated action to the district court for further proceedings. In November 2016, the district court appointed lead class counsel for a damages class and an equitable relief class.

The parties entered into a settlement agreement to resolve the damages class claims pursuant to which defendants agreed to pay a total of approximately $6.2 billion, which includes approximately $5.3 billion of funds remaining in escrow from the 2012 settlement and $900 million in additional funding. The Group's allocated responsibility for the additional funding is approximately $94.5 million. The court granted final approval of the settlement on 13 December 2019, which was affirmed by the Second Circuit on 15 March 2023. On 27 September 2021, the district court granted the plaintiffs' motion for class certification in the equitable relief case. On November 10, 2025, Visa and Mastercard entered into a settlement agreement, subject to court approval, to resolve the equitable relief class claims. Some of the opt-out and direct-action cases have been settled while others remain pending.

Seminole Tribe Trustee Litigation

The Seminole Tribe of Florida filed a complaint in Florida state court alleging that the Group, as trustee, charged excess fees in connection with the administration of a minor's trust and failed to invest the assets of the trust prudently. The complaint was later amended to include three individual current and former beneficiaries as plaintiffs and to remove the Seminole Tribe of Florida as a party to the case. In March 2025, a trial verdict was entered against Wells Fargo. Wells Fargo has appealed.

Outlook

As described above, the Group recognizes accruals for legal actions when potential losses associated with the actions become probable and the costs can be reasonably estimated. The high end of the range of reasonably possible losses in excess of the Group's accrual for probable and estimable losses was approximately $1.7 billion as of 31 December 2025. The outcomes of legal actions are unpredictable and subject to significant uncertainties, and it is inherently difficult to determine whether any loss is probable or even possible. It is also inherently difficult to estimate the amount of any loss and there may be matters for which a loss is probable or reasonably possible but not currently estimable.

Accordingly, actual losses may be in excess of the recognized accrual or the range of reasonably possible loss. Based on information currently available, advice of counsel, available insurance coverage, and established reserves, the Group believes that the eventual outcome of the actions against the Guarantor and/or its subsidiaries will not, individually or in the aggregate, have a material adverse effect on the Group's consolidated financial condition. However, it is possible that the ultimate resolution of a matter, if unfavorable, may be material to the Group's results of operations for any particular period.

WELLS FARGO & COMPANY
CONSOLIDATED STATEMENT OF INCOME

	Year ended 31 December	
	2025	2024
	(in U.S.$ millions, except per share amounts)	
Interest income		
Interest-earning deposits with banks[1]	**5,757**	9,182
Federal funds sold and securities borrowed or purchased under resale agreements[1]	**5,046**	4,021
Trading assets[1]	**6,698**	5,541
Available-for-sale and held-to-maturity debt securities[1]	**13,975**	13,001
Loans	**54,737**	57,895
Other interest income[1]	**1,101**	1,137
Total interest income	**87,314**	90,777
Interest expense		
Deposits	**20,449**	24,282
Federal funds purchased and securities loaned or sold under repurchase agreements[1]	**6,907**	4,766
Trading liabilities[1]	**1,042**	820
Long-term debt	**10,268**	12,463
Other interest expense[1]	**1,164**	770
Total interest expense	**39,830**	43,101
Net interest income	**47,484**	47,676
Noninterest income		
Deposit and lending-related fees	**6,613**	6,515
Investment advisory and other asset-based fees	**10,498**	9,775
Commissions and brokerage services fees	**2,556**	2,521
Investment banking fees	**3,027**	2,665
Card fees	**4,589**	4,342
Mortgage banking	**1,152**	1,047
Net gains from trading and securities[1]	**5,247**	5,516
Other[1]	**2,533**	2,239
Total noninterest income	**36,215**	34,620
Total revenue	**83,699**	82,296
Provision for credit losses	**3,658**	4,334
Noninterest expense		
Personnel	**36,281**	35,729
Technology, telecommunications and equipment	**5,203**	4,583
Occupancy	**3,151**	3,052
Professional and outside services	**4,540**	4,607
Advertising and promotion	**1,094**	869
Other[2]	**4,573**	5,758
Total noninterest expense	**54,842**	54,598
Income before income tax expense	**25,199**	23,364
Income tax expense	**3,841**	3,399
Net income before noncontrolling interests	**21,358**	19,965
Less: Net income (loss) from noncontrolling interests	**20**	243
Wells Fargo net income	**21,338**	19,722
Less: Preferred stock dividends and other	**1,053**	1,116
Wells Fargo net income applicable to common stock	**20,285**	18,606
Per share information		
Earnings per common share	**6.34**	5.43
Diluted earnings per common share	**6.26**	5.37
Average common shares outstanding	**3,201.8**	3,426.1
Diluted average common shares outstanding	**3,242.3**	3,467.6

(1) In fourth quarter 2025, the Group changed the presentation of certain items on its consolidated balance sheet, including trading assets and liabilities and short-term borrowings, with corresponding changes to its consolidated statement of income. In connection with these changes, the Group reclassified the gains (losses) related to its physical commodities inventory, including the related hedging impacts, from other noninterest income to net gains from trading activities. Prior period balances have been revised to conform with the current period presentation.

(2) In fourth quarter 2025, the Group reclassified operating losses into other noninterest expense. Prior period balances have been revised to conform with the current period presentation.

WELLS FARGO & COMPANY
CONSOLIDATED BALANCE SHEET

	Year ended 31 December	
	2025	2024
	(in U.S.$ millions, except per share amounts)	
Assets		
Cash and due from banks	**39,182**	37,080
Interest-earning deposits with banks	**135,028**	166,281
Federal funds sold and securities borrowed or purchased under resale agreements	**193,929**	105,330
Trading assets (includes assets pledged as collateral of **$145,519** and $95,916) [1]	**227,935**	168,595
Available-for-sale debt securities (amortized cost of **$215,775** and $170,607, and includes assets pledged as collateral of **$563** and $3,078)	**213,573**	162,978
Held-to-maturity debt securities (fair value **$175,797** and $193,779)	**208,023**	234,948
Loans (includes assets pledged as collateral of **$1,161** and $461)	**986,167**	912,745
Allowance for loan losses	**(13,797)**	(14,183)
Net loans	**972,370**	898,562
Premises and equipment, net	**11,395**	10,297
Goodwill	**24,967**	25,167
Equity securities (includes **$2,008** and $3,052 carried at fair value [1]	**40,932**	41,374
Other assets (includes **$6,996** and $8,404 carried at fair value) [1]	**81,297**	79,233
Total assets [2]	**2,148,631**	1,929,845
Liabilities		
Noninterest-bearing deposits	**365,368**	383,616
Interest-bearing deposits (includes **$0** and $318 carried at fair value)	**1,060,839**	988,188
Total deposits	**1,426,207**	1,371,804
Federal funds purchased and securities loaned or sold under repurchase agreements [1]	**232,687**	95,235
Short-term borrowings [1]	**18,323**	2,704
Trading liabilities [1]	**45,468**	44,813
Accrued expenses and other liabilities (includes **$357** and $318 carried at fair value) [1]	**68,196**	61,145
Long-term debt (includes **$7,082** and $3,495 carried at fair value)	**174,712**	173,078
Total liabilities [3]	**1,965,593**	1,748,779
Equity		
Wells Fargo stockholders' equity:		
Preferred stock – aggregate liquidation preference of **$17,376** and $19,376	**16,608**	18,608
Common stock – $1-2/3 par value, authorized 9,000,000,000 shares; issued 5,481,811,474 shares	**9,136**	9,136
Additional paid-in capital	**61,288**	60,817
Retained earnings	**228,873**	214,198
Accumulated other comprehensive loss	**(6,673)**	(12,176)
Treasury stock, at cost – **2,389,192,624** shares and 2,192,867,645 shares	**(128,115)**	(111,463)
Total Wells Fargo stockholders' equity	**181,117**	179,120
Noncontrolling interests	**1,921**	1,946
Total equity	**183,038**	181,066
Total liabilities and equity	**2,148,631**	1,929,845

(1) In fourth quarter 2025, the Group changed the presentation of certain items on its consolidated balance sheet, including trading assets and liabilities and short-term borrowings. Prior period balances have been revised to conform with the current period presentation.

(2) The Group's consolidated assets at 31 December 2025 and 2024, include the following assets of certain variable interest entities (VIEs) that can only be used to settle the liabilities of those VIEs: Trading assets, $2.3 billion and $472 million; Loans, $11.3 billion and $11.2 billion; All other assets, $224 million and $199 million; and Total assets, $13.8 billion and $11.9 billion, respectively.

(3) The Group's consolidated liabilities at 31 December 2025 and 2024, include the following VIE liabilities for which the VIE creditors do not have recourse to Wells Fargo: Long-term debt, $3.8 billion and $2.2 billion; Accrued expenses and other liabilities, $206 million and $124 million; and Total liabilities $4.0 billion and $2.4 billion, respectively.

Management

Board of directors

The members of the board of directors of the Guarantor as at the date of this Information Memorandum are as follows:

Name	Title	Committee Membership	Principal outside activity (if any)
Steven D. Black	Director	2,4,5,6	Retired Co-CEO, Bregal Investments, Inc.
Mark A. Chancy	Director	3,4	Retired Vice Chair and Co-Chief Operating Officer, SunTrust Banks, Inc
Celeste A. Clark[16]	Director	5	Principal, Abraham Clark Consulting, LLC, and Retired Senior Vice President, Global Public Policy and External Relations and Chief Sustainability Officer, Kellogg Company
Theodore F. Craver, Jr.	Director	3,4,5	Retired Chair, President and CEO, Edison International
Richard K. Davis	Director	5,7	Retired President and CEO, Make-A-Wish America
Fabian T. Garcia	Director	4	Global President, Personal Care, Unilever PLC
Wayne M. Hewett	Director	4,6,7	Senior Advisor, Permira
CeCelia G. Morken	Director	3,5	Retired CEO and President, Headspace, Inc.
Maria R. Morris	Director	6,7	Retired Executive Vice President and Head of Global Employee Benefits business, MetLife, Inc.
Felicia F. Norwood	Director	7	Executive Vice President and Chief Health Benefits Officer, Elevance Health, Inc.
Ronald L. Sargent	Director	3,5,6	Chair, The Kroger Co.
Charles W. Scharf	Director	1	Chairman, Chief Executive Officer and President, Wells Fargo & Company
Suzanne M. Vautrinot	Director	7	President, Kilovolt Consulting, Inc. and Major General, United States Air Force (retired)

1. Chairman of the Board (Charles W. Scharf)
2. Lead Independent Director (Steven D. Black)
3. Audit (Chair—Theodore F. Craver, Jr.)
4. Finance (Chair— Wayne M. Hewett)
5. Governance and Nominating (Chair— Richard K. Davis)
6. Human Resources (Chair—Ronald L. Sargent)
7. Risk (Chair—Maria R. Morris)

The business address of each of the directors referred to above is 333 Market Street, San Francisco, California 94105.

There are no potential conflicts of interest between duties owed by the directors of the Guarantor to the Guarantor (or, as the case may be, to the Group) and their private interests or other duties.

[16] Ms. Clark is not standing for re-election and will retire as a director as of the date of the Guarantor's 2026 annual stockholder meeting on 28 April 2026.

Executive officers

There is no family relationship between any of the Guarantor's executive officers or directors. All executive officers serve at the pleasure of the board of directors of the Guarantor. The executive officers of the Guarantor as at the date of this Information Memorandum are as follows:

Name	**Title**
Muneera S. Carr	Executive Vice President, Chief Accounting Officer and Controller
Bridget Engle	Senior Executive Vice President and Head of Technology
Kristy Fercho.....	Senior Executive Vice President and Head of Financial Inclusion & Opportunity
Derek A. Flowers	Senior Executive Vice President and Chief Risk Officer
Kyle G. Hranicky	Senior Executive Vice President and CEO of Commercial Banking
Bei Ling.....	Senior Executive Vice President and Head of Human Resources
Ellen R. Patterson.....	Senior Executive Vice President and General Counsel
Scott E. Powell.....	Senior Executive Vice President and Chief Operating Officer
Fernando S. Rivas	Senior Executive Vice President and CEO of Corporate and Investment Banking
Jason M. Rosenberg	Senior Executive Vice President and Head of Public Affairs
Michael P. Santomassimo ...	Senior Executive Vice President and Chief Financial Officer
Kleber R. Santos.....	Senior Executive Vice President and Co-CEO of Consumer Banking and Lending
Charles W. Scharf	Chairman, Chief Executive Officer and President
Barry Sommers.....	Senior Executive Vice President and CEO of Wealth & Investment Management
Saul Van Beurden.....	Senior Executive Vice President, Co-CEO of Consumer Banking and Lending, and Head of Artificial Intelligence

Audit Committee

The Audit Committee is a standing audit committee of the board of directors of the Guarantor as defined in Section 3(a)(58)(A) of the Exchange Act. The committee has four members: Theodore F. Craver, Jr. (Chair), Mark A. Chancy, Ronald L. Sargent and CeCelia G. Morken. Each member is independent, as independence for audit committee members is defined by New York Stock Exchange. The board of directors of the Guarantor has determined, in its business judgment, that each member of the committee is financially literate, as required by New York Stock Exchange rules, and that each of Messrs. Chancy, Craver, Jr. and Sargent qualifies as an "**audit committee financial expert**" as defined by SEC regulations.

TAXATION

UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of the material United States federal income tax consequences relevant to the purchase, beneficial ownership and disposition of the Notes. This summary is based on the United States Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations promulgated thereunder ("**Treasury Regulations**"), administrative pronouncements of the United States Internal Revenue Service ("**IRS**") and judicial decisions, all as currently in effect and all of which are subject to change and to different interpretations. Changes to any of the foregoing authorities could apply on a retroactive basis and could affect the United States federal income tax consequences described below. The Issuer will not seek a ruling from the IRS with respect to the matters discussed in this section and the Issuer cannot assure the Holders of the Notes that the IRS will not challenge one or more of the tax consequences described below.

This summary addresses United States federal income tax and generally does not discuss any aspect of United States federal tax law other than income taxation or any state, local or non-United States tax consequences of the purchase, ownership and disposition of the Notes by Non-United States Holders (as defined below). This summary addresses only Notes held as capital assets within the meaning of the Code (generally, property held for investment) and does not address United States federal income tax considerations applicable to investors that may be subject to special tax rules including certain former citizens or residents of the United States.

For purposes of the following discussion it is assumed that the Issuer will not issue Notes that are considered to be in bearer form for United States federal income tax purposes.

As used herein, a "**United States Holder**" is a beneficial owner of Notes that is, for United States federal income tax purposes: (i) an individual citizen or resident of the United States; (ii) a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate whose income is subject to United States federal income tax regardless of its source; or (iv) a trust if: (A) a United States court has the authority to exercise primary supervision over the administration of the trust and one or more United States persons (as defined under the Code) are authorized to control all substantial decisions of the trust; or (B) it has a valid election in place to be treated as a United States person. An individual may, subject to certain exceptions, be deemed to be a resident of the United States by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year).

A "**Non-United States Holder**" is any beneficial owner of Notes that, for United States federal income tax purposes, is not a United States Holder and that is not a partnership (or other entity or arrangement treated as a partnership for United States federal income tax purposes).

If a partnership (or other entity or arrangement treated as a partnership for United States federal income tax purposes) holds Notes, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. A partnership holding Notes, and partners in such a partnership, should consult their own tax advisors with regard to the United States federal income tax consequences of the purchase, ownership and disposition of the Notes by the partnership.

United States Federal Income Taxation of Non-United States Holders

Notes

Under present United States federal income tax law, and subject to the discussion below concerning backup withholding and the discussion below under "*Foreign Account Tax Compliance Act*":

(a) Payments of interest (including Original Issue Discount or "**OID**", if any) on the Notes by the Issuer or the paying agent to any Non-United States Holder will be exempt from United States

federal withholding tax and income tax, **provided that**, other than with respect to a Note with a maturity of 183 days or less:

(i) the Non-United States Holder does not own, actually or constructively, 10.00 per cent. or more of the total combined voting power of all classes of the Guarantor's stock entitled to vote;

(ii) the Non-United States Holder is not a controlled foreign corporation related, directly or indirectly, to the Guarantor through stock ownership or a bank receiving interest described in Section 881(c)(3)(A) of the Code;

(iii) the interest is not considered contingent interest under Section 871(h)(4)(A) of the Code and the Treasury Regulations thereunder;

(iv) the interest is not effectively connected with the conduct of a trade or business within the United States; and

(v) on or before the first payment of interest or principal, the Non-United States Holder has provided the relevant Paying Agent with a valid and properly executed IRS Form W-8 (or substitute or successor therefor) or other appropriate form of certification of non-United States status sufficient to establish a basis for exemption under Sections 871(h)(2)(B) or 881(c)(2)(B) of the Code.

(b) A Non-United States Holder generally will not be subject to United States federal income tax on gain realized on the sale, retirement or other taxable disposition of the Notes (including a deemed disposition of the Notes, for example as might occur upon a substitution of the Issuer), unless:

(i) the Non-United States Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met; or

(ii) the gain is effectively connected with the Non-United States Holder's conduct of a trade or business in the United States (or, if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the Non-United States Holder in the United States).

Information reporting and, depending on the circumstances, backup withholding will apply to the payment of the proceeds of a sale of Notes that is effected within the United States or effected outside the United States through certain United States-related financial intermediaries, unless the Non-United States Holder certifies under penalty of perjury as to its non-United States status, and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person, or the Non-United States Holder otherwise establishes an exemption. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a Non-United States Holder's United States federal income tax liability provided the required information is furnished to the IRS on a timely basis. Non-United States Holders of Notes should consult their tax advisers regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining an exemption, if applicable.

Withholding on Dividend Equivalents

Section 871(m) of the Code and the Treasury Regulations thereunder ("**Section 871(m)**") generally impose a withholding tax of 30 per cent. (or lower treaty rate) on "dividend equivalents" paid or deemed paid to Non-United States Holders with respect to certain financial instruments linked to securities that could give rise to U.S.-source dividends or indices that include U.S. underlying equities.

To the extent Section 871(m) is applicable to the Notes, it will be further discussed in the relevant Pricing Supplement or the Drawdown Information Memorandum.

Credit Linked Notes

The U.S. federal income tax treatment of Credit Linked Notes is unclear. In general, the Issuer intends to treat payments on the Credit Linked Notes to a Non-United States Holder as payments of interest on Notes that are treated as debt instruments for U.S. federal income tax purposes.

However, because the U.S. federal income tax treatment of Credit Linked Notes is unclear, it is possible that Credit Linked Notes that do not guarantee a return of principal could be treated as forward or executory contracts for United States income tax purposes, or in some other manner. In that event, Non-United States Holders of such Credit Linked Notes could be subject to withholding tax on payments in respect of such Credit Linked Notes or deemed income accruals even if the Non-United States Holder would generally be entitled to receive interest payments free of U.S. withholding tax.

Prospective Non-United States Holders should consult their own tax advisors regarding the possible alternative treatments of the Credit Linked Notes.

Other Notes

The U.S. federal income tax treatment of Notes other than those described above will depend on the particular terms of such Notes, and may be unclear.

The Issuer will treat certain Notes that are not debt instruments for U.S. federal income tax purposes and do not provide for coupon payments or similar amounts during their term as prepaid derivative contracts that are "open transactions" for U.S. federal income tax purposes. Amounts received by a Non-United States Holder on the sale, exchange or retirement of a Note that is treated as an "open transaction" generally should not be subject to U.S. federal income or withholding tax.

With respect to other Notes, additional information regarding their treatment will generally be provided in the relevant Pricing Supplement or Drawdown Information Memorandum.

The treatment of Notes linked to equity or indices, and that are not treated as debt instruments, is unclear under current law. Moreover, the United States Treasury and the IRS have indicated that they intend to issue guidance regarding the treatment of "prepaid forward contracts" and similar instruments. Any such guidance could adversely affect the treatment of a Non-United States Holder of Notes. Prospective Non-United States Holders should consult their tax advisors regarding these risks prior to acquiring a Note.

U.S. Federal Estate Tax

An individual Non-United States Holder or an entity the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers) should note that, absent an applicable treaty exemption, a Note that is not treated as debt for U.S. federal estate tax purposes may be treated as U.S. situs property subject to U.S. federal estate tax. A Note that is treated as a debt obligation for U.S. federal estate tax purposes generally will not be treated as U.S. situs property subject to U.S. federal estate tax if payments on the Note, if received by the decedent at the time of death, would not have been subject to U.S. federal withholding or income tax because of the exemption from withholding of "portfolio interest". A holder that is such an individual or entity should consult its tax advisor regarding the U.S. federal estate tax consequences of investing in the Notes.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance provisions (commonly referred to as "**FATCA**") (Sections 1471 through 1474 of the Code) impose a 30 per cent. U.S. withholding tax on certain U.S. source payments, including interest (and original issue discount), dividends, 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 the U.S. Treasury Department to collect and provide to the Treasury Department certain information regarding U.S. financial account holders, including certain account holders that are foreign entities with U.S. owners, with such institution or otherwise complies with FATCA (for example, by being compliant with an intergovernmental agreement relating to the implementation of FATCA). FATCA also generally imposes a withholding tax of 30 per cent. on Withholdable Payments made to other payees unless such payees provide the relevant withholding agents with certain certifications. Under certain circumstances, a holder may be eligible for refunds or credits of such taxes.

These withholding and reporting requirements generally apply to U.S. source periodic payments. If amounts are withheld under FATCA with respect to the Notes, the Issuer will not be required to pay any additional amounts in respect of such withholding. Prospective investors are urged to consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Notes.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Wells Fargo Securities, LLC, Wells Fargo Securities International Limited or any other dealer appointed from time to time by the Issuer and the Guarantor in respect of the Programme generally, or in relation to a Tranche of Notes specifically (together, the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealer agreement dated 27 March 2026, as may be amended from time to time (the "**Dealer Agreement**") and made among the Issuer, the Guarantor, Wells Fargo Securities, LLC and Wells Fargo Securities International Limited. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer, the Guarantor and a single Dealer for that Tranche to be issued by the Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Pricing Supplement as "**Non-Syndicated**" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Pricing Supplement. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer, the Guarantor and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Pricing Supplement as "**Syndicated**", the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers will be set out in the relevant Pricing Supplement. Any such agreement will, *inter alia,* make provision for the form and terms of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

The relevant Dealers will be entitled in certain circumstances to be released and discharged from their obligations in respect of a proposed issue of Notes under or pursuant to the Dealer Agreement prior to the closing of the issue of such Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on or before the issue of such Notes. In this situation, the issuance of such Notes may not be completed. Investors will have no rights against the Issuer or the relevant Dealers in respect of any expense incurred or loss suffered in these circumstances.

United States of America

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state in the United States. The Notes may not be offered, delivered or sold, directly or indirectly, within the United States or to or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. Terms used in this paragraph have the meanings given to them by Regulation S of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, and each further dealer or distributor will be required to agree, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time and (ii) otherwise during the 40 day distribution compliance period, only in accordance with Rule 903 of Regulation S under the Securities Act. Each Dealer has further represented and agreed, and each further dealer or distributor will be required to further 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 the Notes, and it and they have complied and will comply with all the offering restrictions of Regulation S of the Securities Act. Each Dealer will have sent to each distributor, dealer, person receiving a selling concession, fee or other remuneration to which it sells Notes during the distribution compliance period relating thereto a confirmation or notice in substantially the following form:

*"The Securities covered hereby have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered and sold, 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 the Tranche of Notes of which such Notes are a part, as determined by [Name of Dealer or Dealers, as the case may be]except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."*

EEA

Prohibition of Sales to EEA Retail Investors

If the Pricing Supplement (or Drawdown Information Memorandum, as the case may be) in respect of any Notes 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, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto (or are the subject of the offering contemplated by a Drawdown Information Memorandum, as the case may be) to any retail investor in the EEA. 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 EU MiFID II;

  (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or

  (iii) not a qualified investor as defined in the EU Prospectus Regulation; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes.

Public Offer Selling Restrictions under the EU Prospectus Regulation

If the Pricing Supplement (or Drawdown Information Memorandum, as the case may be) in respect of any Notes 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 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 Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement thereto (or are the subject of the offering contemplated by a Drawdown Information Memorandum, as the case may be) to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(b) *Fewer than 150 offerees:* 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 Issuer for any such offer; or

(c) *Other exempt offers:* at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation.

provided that no such offer of Notes referred to in (b) to (c) above shall require 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.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on

the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended.

United Kingdom

Prohibition of sales to UK Retail Investors

If the Pricing Supplement (or Drawdown Information Memorandum, as the case may be) in respect of any Notes 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, warrant and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are the subject of this Information Memorandum as completed by the Pricing Supplement in relation thereto (or are the subject of a Drawdown Information Memorandum, as the case may be) to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is either one (or both) of the following:

(i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or

(ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes.

If the Pricing Supplement (or Drawdown Information Memorandum, as the case may be) in respect of any Notes does not include the legend "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 made and will not make an offer of Notes which are the subject of this Information Memorandum as completed by the Pricing Supplement in relation thereto (or are the subject of a Drawdown Information Memorandum, as the case may be) to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

(a) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(b) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs,

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

Other UK regulatory restrictions

Each Dealer has represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

(a) *No deposit-taking*:

in relation to any Notes having a maturity of less than one year:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:

(ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer or the Guarantor;

(b) *Financial promotion:*

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 Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(c) *General compliance*:

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes 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**"). Accordingly, 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, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, 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 or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

People's Republic of China

Each of the Dealers has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that the Notes may not be offered or sold directly or indirectly within the People's Republic of China (for such purposes, not including Hong Kong and Macau Special Administrative Regions or Taiwan) ("**PRC**"). This Information Memorandum or any information contained or incorporated by reference herein does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. This Information Memorandum, any information contained herein or the Notes have not been, and will not be, submitted to, approved by, verified by or

registered with any relevant governmental authorities in the PRC and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Notes in the PRC.

The Notes may only be invested in by PRC investors that are authorized to engage in the investment in the Notes of the type being offered or sold. Investors are responsible for informing themselves about and observing all legal and regulatory restrictions, obtaining all relevant governmental approvals, verifications, licenses or registrations (if any) from all relevant PRC governmental authorities, including but not limited to, the State Administration of Foreign Exchange, the China Securities Regulatory Commission, the China Banking and Insurance Regulatory Commission (or a successor) and/or other relevant regulatory bodies, and complying with all relevant PRC regulations, including but not limited to, any relevant foreign exchange regulations and/or overseas investment regulations.

Hong Kong

Each Dealer has represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "**professional investors**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (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 "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; 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 Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "**professional investors**" as defined in the SFO and any rules made under the SFO.

Taiwan

Each Dealer has acknowledged and agreed that, and each further Dealer appointed under the Programme will be required to acknowledge and agree that, the Notes are not permitted to be sold, offered or issued in Taiwan and are not permitted to be made available to Taiwan resident investors except (i) outside Taiwan for purchase by such investors outside Taiwan; (ii) where applicable, through properly licensed intermediaries expressly permitted to make the Notes available to their customers under applicable Taiwan laws and regulations; or (iii) as otherwise permitted by applicable Taiwan law and regulations.

General

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that (to the best of its knowledge and belief) it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Information Memorandum, any Drawdown Information Memorandum, any Pricing Supplement or any related offering material, in all cases at its own expense, and further that it will not, directly or indirectly, offer or sell any such Notes or distribute or publish any offering circular, information memorandum, form of application, advertisement or other document or information in any country or jurisdiction except in circumstances that will result in compliance with any applicable laws and regulations. Other persons into whose hands this Information Memorandum or any Pricing Supplement comes are required by the Issuer, the Guarantor and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Information Memorandum or any Pricing Supplement or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be

applicable but without prejudice to the obligations of the Dealers described in the paragraph headed *"General"* above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer and the Guarantor. Any such supplement or modification may be set out in the relevant Pricing Supplement (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Information Memorandum.

GENERAL INFORMATION

Authorization

The establishment of the Programme was authorized by resolutions adopted by the board of directors of the Issuer on 25 April 2018 and by resolutions adopted by the board of directors of the Guarantor on 24 April 2018. Each of the Issuer and the Guarantor has obtained or will obtain from time to time all necessary consents, approvals and authorizations in connection with the issue and performance of the Notes and the giving of the guarantee relating to them.

Legal Entity Identifier ("LEI")

The LEI code of the Issuer is 549300B4EK2P191S8U08.

The LEI code of the Guarantor is PBLD0EJDB5FWOLXP3B76.

Legal and Arbitration Proceedings

Save as disclosed in the sections "*Description of the Guarantor - Regulation and Supervision – Consent Orders and Other Regulatory Actions*" and "*Description of the Guarantor - Legal Actions*", there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer or the Guarantor is aware) that may have, or have had during the 12 months prior to the date of this Information Memorandum, a significant effect on the financial position or profitability of the Issuer or the Guarantor or the Group.

Significant/Material Change

Since 31 December 2025, there has been no material adverse change in the prospects of the Issuer.

Since 31 December 2025 there has been no material adverse change in the prospects of the Guarantor. Since 31 December 2025, there has been no significant change in the financial performance or financial position of the Guarantor or the Group.

Auditors

The consolidated financial statements of the Guarantor as at and for the years ended 31 December 2024 and 31 December 2025 have been audited in accordance with the standards of the Public Company Accounting Oversight Board (United States) by KPMG LLP, an independent registered public accounting firm.

Wells Fargo Affiliates

Wells Fargo Securities, LLC, which for the purposes of the Programme acts in the capacity of an Arranger as well as a Dealer, is an affiliate of the Issuer and the Guarantor. Wells Fargo Securities International Limited, which for the purposes of the Programme acts in the capacity of a Dealer, is also an affiliate of the Issuer and the Guarantor.

Documents on Display

Copies of the following documents may be inspected during normal business hours at the specified offices of the Principal Paying Agent and the CMU Lodging and Paying Agent for 12 months from the date of this Information Memorandum:

(a) the Certificate of Formation and the Limited Liability Company Agreement of the Issuer;

(b) the Restated Certificate of Incorporation of the Guarantor;

(c) the audited consolidated financial statements of the Guarantor as at and for the years ended 31 December 2025 and 31 December 2024;

(d) the Indenture;

(e) the Programme Manual (which contains the forms of the Bearer Notes in global and definitive form and the forms of the Registered Notes in Global Registered Note and Individual Note Certificate form); and

(f) the Issuer-ICSDs Agreement.

Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

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, S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

CMU Notes are expected to be accepted for clearance through the CMU. The CMU Instrument Number in relation to the CMU Notes of each Tranche will be specified in the relevant Pricing Supplement. For persons seeking to hold a beneficial interest in CMU Notes through Euroclear or Clearstream, Luxembourg, such person will hold their interests in an account opened and held by Euroclear or Clearstream, Luxembourg with the CMU.

The address of the HKMA as operator of the CMU is 55th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

Notes having a Maturity of Less Than One Year

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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; or (ii) be issued in other circumstances which do not constitute a contravention of Section 19 of the FSMA by the Issuer.

Issue Price and Yield

Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer, the Guarantor and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the relevant Pricing Supplement. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes bearing interest at a fixed rate as set out in the relevant Pricing Supplement will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

ANNEX 1

AUCTION SETTLEMENT TERMS

Capitalized terms used but not defined in this Annex have the meaning specified in the DC Rules and the Form of Auction Settlement Terms (as defined below). All times of day in this summary refer to such times in London.

Publication of Credit Derivatives Auction Settlement Terms

A Credit Derivatives Determinations Committee may determine that a Credit Event has occurred in respect of a Reference Entity (such entity, an "**Affected Reference Entity**") and that one or more auctions will be held in order to settle affected transactions referencing such Affected Reference Entity based upon an Auction Final Price determined in accordance with an auction procedure as set forth in the Form of Auction Settlement Terms (each, an "**Auction**"). If an Auction is to be held, the Credit Derivatives Determinations Committee will publish Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity, based upon the Form of Auction Settlement Terms first published as Annex B to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions, published by ISDA on 12 March 2009 (the "**Form of Auction Settlement Terms**"). Noteholders should note that the Credit Derivatives Determinations Committees have the power to amend the form of Credit Derivatives Auction Settlement Terms for a particular auction and that this summary may therefore not be accurate in all cases. The following does not purport to be a complete summary and prospective investors must refer to the Form of Auction Settlement Terms for detailed information regarding the auction methodology set forth therein (the "**Auction Methodology**"). The Auction and the Auction Methodology apply to credit default swaps on a Reference Entity and do not apply specifically to the Credit Linked Notes. A copy of the Form of Auction Settlement Terms is currently available at www.isda.org. The Credit Derivatives Determinations Committee will additionally make several related determinations, including the date on which the Auction will be held (the "**Auction Date**"), the institutions that will act as participating bidders in the Auction (the "**Participating Bidders**") and the supplemental terms that are detailed in Schedule 1 to the Form of Auction Settlement Terms. The Credit Derivatives Determinations Committee may also amend the Form of Auction Settlement Terms for a particular auction and may determine that a public comment period is necessary in order to effect such an amendment if such amendment is not contemplated by the DC Rules.

Auction Methodology

Determining the Auction Currency Rate

On the Auction Currency Fixing Date, the Administrators will determine the rate of conversion (each, an "**Auction Currency Rate**") as between the Relevant Currency and the currency of denomination of each Deliverable Obligation (each, a "**Relevant Pairing**") by reference to a Currency Rate Source or, if such Currency Rate Source is unavailable, by seeking mid-market rates of conversion from Participating Bidders (determined by each such Participating Bidder in a commercially reasonable manner) for each such Relevant Pairing. If rates of conversion are sought from Participating Bidders and more than three such rates are obtained by the Administrators, the Auction Currency Rate will be the arithmetic mean of such rates, without regard to the rates having the highest and lowest values. If exactly three rates are obtained, the Auction Currency Rate will be the rate remaining after disregarding the rates having the highest and lowest values. For this purpose, if more than one rate has the same highest or lowest value, then one of such rates shall be disregarded. If fewer than three rates are obtained, it will be deemed that the Auction Currency Rate cannot be determined for such Relevant Pairing.

Initial Bidding Period

During the Initial Bidding Period, Participating Bidders will submit to the Administrators: (a) Initial Market Bids; (b) Initial Market Offers; (c) Dealer Physical Settlement Requests; and (d) Customer Physical Settlement Requests (to the extent received from customers).

Initial Market Bids and Initial Market Offers are firm quotations, expressed as percentages, to enter into credit derivative transactions in respect of the Affected Reference Entity on terms equivalent to the Representative Auction-Settled Transaction.

The Initial Market Bid and Initial Market Offer submitted by each Participating Bidder must differ by no more than the designated Maximum Initial Market Bid-Offer Spread and must be an integral multiple of the Relevant Pricing Increment (each as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity). The Initial Market Bid must be less than the Initial Market Offer.

Dealer Physical Settlement Requests and Customer Physical Settlement Requests are firm commitments, submitted by a Participating Bidder, on its own behalf or on behalf of a customer, as applicable, to enter into a Representative Auction-Settled Transaction, in each case, as seller (in which case, such commitment will be a "**Physical Settlement Buy Request**") or as buyer (in which case, such commitment will be a "**Physical Settlement Sell Request**"). Each Dealer Physical Settlement Request must be, to the best of such Participating Bidder's knowledge and belief, in the same direction as, and not in excess of, its Market Position. Each Customer Physical Settlement Request must be, to the best of the relevant customer's knowledge and belief (aggregated with all Customer Physical Settlement Requests submitted by such customer), in the same direction as, and not in excess of, its Market Position.

If the Administrators do not receive valid Initial Market Bids and Initial Market Offers from at least a minimum number of Participating Bidders (as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity), the timeline will be adjusted and the Initial Bidding Period extended, with the Auction recommencing at such time(s) specified by the Administrators, otherwise it will proceed as follows.

Determination of Open Interest, Initial Market Midpoint and Adjustment Amounts

The Administrators will calculate the Open Interest, the Initial Market Midpoint and any Adjustment Amounts in respect of the Auction.

The Open Interest is the difference between all Physical Settlement Sell Requests and all Physical Settlement Buy Requests.

To determine the Initial Market Midpoint, the Administrators will: (a) sort the Initial Market Bids in descending order and the Initial Market Offers in ascending order, identifying non-tradeable markets for which bids are lower than offers; (b) sort non-tradeable markets in terms of tightness of spread between Initial Market Bid and Initial Market Offer; and (c) identify that half of the non-tradeable markets with the tightest spreads. The Initial Market Midpoint is determined as the arithmetic mean of the Initial Market Bids and Initial Market Offers contained in the half of non-tradeable markets with the tightest spreads.

Any Participating Bidder whose Initial Market Bid or Initial Market Offer forms part of a tradeable market will be required to make a payment to ISDA on the third Business Day after the Auction Final Price Determination Date (an "**Adjustment Amount**"), calculated in accordance with the Auction Methodology. Any payments of Adjustment Amounts shall be used by ISDA to defray any costs related to any auction that ISDA has coordinated, or that ISDA will in the future coordinate, for purposes of settlement of credit derivative transactions.

If for any reason no single Initial Market Midpoint can be determined, the procedure set out above may be repeated.

At or prior to the Initial Bidding Information Publication Time on any day on which the Initial Bidding Period has successfully concluded, the Administrators publish the Open Interest, the Initial Market Midpoint and the details of any Adjustment Amounts in respect of the Auction.

If the Open Interest is zero, the Auction Final Price will be the Initial Market Midpoint.

Submission of Limit Order Submissions

In the event that the Open Interest does not equal zero, a subsequent bidding period will be commenced during the Initial Bidding Period which: (a) if the Open Interest is an offer to sell Deliverable Obligations, Participating Bidders submit Limit Bids; or (b) if the Open Interest is a bid to purchase Deliverable Obligations, Limit Offers, in each case, on behalf of customers and for their own account.

Matching bids and offers

If the Open Interest is a bid to purchase Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Offers and Limit Offers, as further described in the Auction Methodology. If the Open Interest is an offer to sell Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Bids and Limit Bids, as further described in the Auction Methodology.

(a) *Auction Final Price when the Open Interest is Filled*

The Auction Final Price will be the price associated with the matched Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, that is the highest offer or the lowest bid, as applicable, **provided that**: (a) if the Open Interest is an offer to sell and the price associated with the lowest matched bid exceeds the Initial Market Midpoint by more than the "Cap Amount" (being the percentage that is equal to one half of the Maximum Initial Market Bid-Offer Spread (rounded to the nearest Relevant Pricing Increment)), then the Auction Final Price will be the Initial Market Midpoint plus the Cap Amount; and (b) if the Open Interest is a bid to purchase and the Initial Market Midpoint exceeds the price associated with the highest offer by more than the Cap Amount, then the Auction Final Price will be the Initial Market Midpoint minus the Cap Amount.

(b) *Auction Final Price when the Open Interest is Not Filled*

If, once all the Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, have been matched to the Open Interest, part of the Open Interest remains, the Auction Final Price will be: (a) if the Open Interest is a bid to purchase Deliverable Obligations, the greater of (i) zero, and (ii) the highest Limit Offer or Initial Market Offer received; or (b) if the Open Interest is an offer to sell Deliverable Obligations, zero.

100 per cent. Cap to Auction Final Price

In all cases, if the Auction Final Price determined pursuant to the Auction Methodology is greater than 100 per cent., then the Auction Final Price will be deemed to be 100 per cent.

Publication of Auction Final Price

At or prior to the Subsequent Bidding Information Publication Time on any day on which the subsequent bidding period has successfully concluded, the Administrators will publish on their websites: (a) the Auction Final Price; (b) the names of the Participating Bidders who submitted bids, offers, valid Dealer Physical Settlement Requests and valid Customer Physical Settlement Requests, together with the details of all such bids and offers submitted by each; and (c) the details and size of all matched trades.

Restructuring

Following certain Restructuring credit events, more than one auction may be held and there may be more than one Auction Final Price and credit default swaps are grouped into buckets by maturity and depending on which party triggers the credit default swap. Deliverable obligations will be identified for each bucket (any deliverable obligations included in a shorter bucket will also be deliverable for all longer buckets). If the Credit Derivatives Determinations Committee determines to hold an auction for a particular bucket, then that auction will be held according to the existing auction methodology that has previously been used for Bankruptcy and Failure to Pay credit events, except that the deliverable obligations will be limited to those falling within the relevant maturity bucket.

Execution of Trades Formed in the Auction

Each Participating Bidder whose Limit Bid or Initial Market Bid (or Limit Offer or Initial Market Offer if applicable) is matched against the Open Interest, and each Participating Bidder that submitted a Customer Physical Settlement Request or Dealer Physical Settlement Request, is deemed to have entered into a Representative Auction-Settled Transaction, and each customer that submitted such a Limit Bid, Limit Offer, or Physical Settlement Request is deemed to have entered into a Representative Auction-Settled Transaction with the dealer through whom the customer submitted such bid or offer. Accordingly, each such Participating Bidder or customer that is a seller of Deliverable Obligations pursuant to a trade formed in the auction must deliver to the buyer to whom such Participating Bidder or customer has been matched

a Notice of Physical Settlement indicating the Deliverable Obligations that it will deliver, and such Deliverable Obligations will be sold to the buyer in exchange for payment of the Auction Final Price.

Timing of Auction Settlement Provisions

If an Auction is held in respect of an Affected Reference Entity, it is expected that the relevant Auction Date will occur on the third Business Day immediately prior to the 30th calendar day after which the relevant Credit Derivatives Determinations Committee received the request from an eligible market participant (endorsed by a member of the relevant Credit Derivatives Determinations Committee) to resolve whether a Credit Event has occurred with respect to such Reference Entity.

In respect of an Affected Reference Entity for which an Auction is held, the Auction Settlement Date will occur on a Business Day following the Auction Final Price Determination Date, as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

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