

Dated 17 September 2019

**METRO BANK PLC**

as Issuer

and

**THE LAW DEBENTURE TRUST CORPORATION P.L.C.**

as Trustee

**TRUST DEED**

£3,000,000,000 Euro Medium Term Note Programme

**Linklaters**

Ref: ND/CD/PP

Linklaters LLP

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**This Trust Deed** is dated 17 September 2019 and made **between**:

- (1) **METRO BANK PLC**, registered in England and Wales as company number 6419578 and having its registered office at One Southampton Row, London WC1B 5HA, United Kingdom, (the “**Issuer**”); and
- (2) **THE LAW DEBENTURE TRUST CORPORATION P.L.C.** (the “**Trustee**”, which expression includes, where the context admits, all persons for the time being the trustee or trustees of this Trust Deed).

**Whereas:**

- (A) The Issuer has established a Euro Medium Term Note Programme (the “**Programme**”) for the issuance of notes from time to time.
- (B) The Notes (as defined below) will be constituted by this Trust Deed (as amended and restated or supplemented from time to time, the “**Trust Deed**”) between the Issuer and the Trustee. The holders of the notes and of any coupons or talons for further coupons appertaining thereto shall have the benefit of all the provisions of this Trust Deed and of the Agency Agreement (as defined below) applicable to them.
- (C) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.

**Now this Trust Deed Witnesses and it is hereby declared** as follows:

## **1 Definitions and Interpretation**

### **1.1 Definitions**

In this Trust Deed, unless the context requires or the same are otherwise defined, words and expressions defined in the Conditions shall have the same meaning in this Trust Deed. In the event of an inconsistency between this Trust Deed and the Conditions, this Trust Deed shall prevail. In addition:

“**Agency Agreement**” means the agency agreement dated 17 September 2019 (as amended and/or supplemented and/or restated from time to time) pursuant to which the Issuer has appointed the Principal Paying Agent, the Registrar, the other Transfer and Paying Agents and the Calculation Agent in relation to all or any Series of the Notes and any other agreement for the time being in force appointing other or further Transfer and Paying Agents or another Calculation Agent in relation to all or any Series of the Notes, or in connection with their duties, together with any agreement for the time being in force amending or modifying with the prior written approval of the Trustee (in the case of Transfer and Paying Agents) any of the aforesaid agreements;

“**Agents**” means the Principal Paying Agent, the Registrar, the other Transfer and Paying Agents and the Calculation Agent or any of them;

“**Appointee**” means any delegate, agent, nominee or custodian appointed pursuant to the provisions of this Trust Deed;

“**Auditors**” means the auditors for the time being of the Issuer or, if there shall be joint auditors of the Issuer, any one or more of such joint auditors;

“**Authorised Person**” means any person who is designated in writing by the Issuer from time to time to give Instructions to the Trustee under the terms of this Trust Deed;

**“Authorised Signatory”** means any Director of the Issuer, any Authorised Person or any other person or persons notified to the Trustee as being an Authorised Signatory pursuant to Clause 7(q) (*Authorised Signatories*);

**“Bearer Note”** means a Note issued in bearer form;

**“Calculation Agent”** means, in relation to all or any relevant Series of the Notes, Citibank, N.A., London Branch, or, if applicable, any successor calculation agent in relation thereto which shall become such pursuant to the provisions of the Agency Agreement or such other calculation agent in relation thereto as may from time to time be appointed as such by the Issuer and (except in the case of the initial Calculation Agent in respect of any Series of the Notes) notice of whose appointment has been given to the relevant Noteholders in accordance with Condition 21 (*Notices*);

**“Certificate”** means, in relation to any Series, any Global Certificate or Individual Certificate and includes any replacement Certificate issued pursuant to Condition 16 (*Replacement of Notes and Coupons*);

**“CGN Permanent Global Note”** means a Permanent Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is not applicable;

**“CGN Temporary Global Note”** means a Temporary Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is not applicable;

**“Clearstream, Luxembourg”** means Clearstream Banking S.A.;

**“Common Safekeeper”** means an ICSD in its capacity as common safekeeper or a person nominated by the ICSDs to perform the role of common safekeeper;

**“Conditions”** means:

- (a) in relation to the Bearer Notes of any Series, the terms and conditions to be endorsed on, or incorporated by reference in, the Bearer Notes of such Series, in the form set out in Schedule 1 (*Terms and Conditions of the Notes*) or in such other form, having regard to the terms of the Notes of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Trustee and the Relevant Dealer(s) as modified and supplemented by the Final Terms applicable to such Series, as any of the same may from time to time be modified in accordance with this Trust Deed and any reference in this Trust Deed to a particular numbered Condition shall be construed in relation to the Bearer Notes of such Series accordingly;
- (b) in relation to the Registered Notes of any Series, the terms and conditions to be endorsed on, or incorporated by reference in, the Certificates in respect of such Series, in the form set out in Schedule 1 (*Terms and Conditions of the Notes*) or in such other form, having regard to the terms of the relevant Series, as may be agreed between the Issuer, the Registrar, the Trustee and the Relevant Dealer(s) as modified and supplemented by the Final Terms applicable to such Series, as any of the same may from time to time be modified in accordance with the provisions of this Trust Deed and any reference in this Trust Deed to a particular numbered Condition shall be construed in relation to the Registered Notes of such Series accordingly;

**“Contractual Currency”** means, in relation to any payment obligation of any Note, the currency in which that payment obligation is expressed and, in relation to Clause 13.1 (*Remuneration*), pounds sterling or such other currency as may be agreed between the Issuer and the Trustee from time to time;

**“Couponholder”** means the holder of a Coupon (whether or not attached to the relevant Notes);

**“Coupons”** means any bearer interest coupons appertaining to the Bearer Notes of any Series or, as the context may require, a specific number thereof and includes any replacement Coupons issued pursuant to Condition 16 (*Replacement of Notes and Coupons*) and, where the context so permits, the Talons appertaining to the Bearer Notes of such Series;

**“Dealers”** means any person appointed as a Dealer by the Programme Agreement and any other person which the Issuer may appoint as a Dealer and notice of whose appointment has been given to the Principal Paying Agent and the Trustee by the Issuer in accordance with the provisions of the Programme Agreement but excluding any entity whose appointment has been terminated in accordance with the terms of the Programme Agreement and notice of whose termination has been given to the Principal Paying Agent and the Trustee by the Issuer in accordance with the provisions of the Programme Agreement and references to the “Relevant Dealer(s)” mean, in relation to any Note, the Dealer(s) with whom the Issuer has agreed the issue and purchase of such Note;

**“Definitive Notes”** means Bearer Notes in definitive form issued or, as the case may be, required to be issued by the Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the Issuer and the Relevant Dealer(s), the Agency Agreement and this Trust Deed in exchange for a Permanent Global Note (as indicated in the relevant Final Terms), such Bearer Notes in definitive form being in the form or substantially in the form set out in Part 3 of Schedule 2 (*Form of Definitive Note*); **“Director”** means any member of the board of directors of the Issuer from time to time;

**“Euroclear”** means Euroclear Bank SA/NV;

**“Event of Default”** means (A) in relation to any Series of Senior Preferred Notes or any Series of Senior Non-Preferred Notes where the relevant Final Terms specify that Condition 14(b) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) does not apply, any of the conditions, events or acts provided in Condition 14(a) (*Events of Default – Senior Preferred Notes and Senior Non-Preferred Notes (Unrestricted Default)*) to be events upon the happening of which such Senior Preferred Notes or Senior Non-Preferred Notes, as the case may be, would, subject only to notice by the Trustee as therein provided, become immediately due and repayable and (B) in relation to (1) any Series of Senior Preferred Notes or any Series of Senior Non-Preferred Notes where the relevant Final Terms specify that Condition 14(b) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) applies and (2) each Series of Tier 2 Capital Notes, any of the conditions, events or acts provided in Condition 14(b)(i) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*);

**“Extraordinary Resolution”** has the meaning set out in Schedule 4 (*Provisions for Meetings of Noteholders*);

**“Fixed Rate Note”** means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or dates in each year and on redemption or on such other dates as may be agreed between the Issuer and the Relevant Dealer(s) (as indicated in the relevant Final Terms);

**“Floating Rate Note”** means a Note on which interest is calculated at a floating rate payable at intervals as may be agreed between the Issuer and the Relevant Dealer(s) (as indicated in the relevant Final Terms);

**“Global Bearer Note”** means a CGN Temporary Global Note, a CGN Permanent Global Note, a NGN Temporary Global Note or a NGN Permanent Global Note;

**“Global Certificate”** means, in relation to any Series, a global registered note certificate representing the Notes of such Series to be issued pursuant to Clause 4.2 (*Global Certificates*) of such Series in the form or substantially in the form set out in Part 1 of Schedule 3 (*Form of Global Certificate*);

**“Individual Certificate”** means, in relation to any Series, an individual registered note certificate representing a Noteholder’s entire initial holding of Notes of such Series in the form or substantially in the form set out in Part 2 of Schedule 3 (*Form of Individual Certificate*);

**“Instructions”** means any written notices, directions or instructions received by the Trustee from an Authorised Person or from a person reasonably believed by the Trustee to be an Authorised Person;

**“Liabilities”** means, unless otherwise indicated, any loss, damage, cost, claim, demand, expense, fees, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;

**“NGN Permanent Global Note”** means a Permanent Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is applicable;

**“NGN Temporary Global Note”** means a Temporary Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is applicable;

**“Noteholder”** and (in relation to a Note) **“Holder”** means, in the case of a Bearer Note, the bearer of a Note or, in the case of a Registered Note, a person in whose name a Note is registered in the Register (or in the case of joint holders, the first named thereof) save that, for so long as the Notes of any Series are represented by a Global Bearer Note or Global Certificate, each person who has for the time being a particular principal amount of such Notes credited to his securities account in the records of Clearstream, Luxembourg or Euroclear shall be deemed to be the Noteholder in respect of the principal amount of such Notes for all purposes hereof other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, solely in the bearer, in the case of a Bearer Note, or registered holder, in the case of a Registered Note, of such Global Bearer Note or Global Certificate, as applicable, in accordance with and subject to the terms of this Trust Deed and such Global Bearer Note or Global Certificate;

**“Notes”** means the notes of each Series constituted in relation to or by this Trust Deed which shall, in the case of Bearer Notes, be in or substantially in the form set out in Schedule 2 and in the case of Registered Notes, be represented by a Certificate in or substantially in the form set out in Schedule 3 or, as the case may be, a specific number thereof and includes any replacement Notes of such Series issued pursuant to Condition 16 (*Replacement of Notes and Coupons*) and (except for the purposes of Clauses 4.1 (*Global Bearer Notes*), 4.2 (*Global Certificates*) and 4.5 (*Signature*)) each Global Bearer Note or Global Certificate in

respect of such Series for so long as it has not been exchanged in accordance with the terms thereof;

**“outstanding”** means, in relation to the Notes of any Series, all the Notes of such Series other than:

- (a) those which have been redeemed in full in accordance with this Trust Deed and the Conditions;
- (b) those in respect of which the date for redemption in accordance with the provisions of the Conditions has occurred and for which the redemption moneys (including premium (if any) and all interest accrued thereon to the date for such redemption) have been duly paid to the Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 21 (*Notices*)) and remain available for payment in accordance with the Conditions;
- (c) those which have been purchased and surrendered for cancellation as provided in Condition 10 (*Redemption and Purchase*);
- (d) those which have become void or in respect of which claims have become prescribed under Condition 15 (*Prescription*); and
- (e) in the case of Bearer Notes only:
  - (i) those mutilated or defaced Notes which have been surrendered or cancelled and in respect of which replacement Notes have been issued pursuant to Condition 16 (*Replacement of Notes and Coupons*);
  - (ii) (for the purpose only of ascertaining the aggregate principal amount of Notes outstanding and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 16 (*Replacement of Notes and Coupons*); and
  - (iii) any Global Bearer Note (or Global Registered Certificate, as the case may be) to the extent that it shall have been exchanged for another Global Bearer Note (or Global Registered Certificate, as the case may be) in respect of the Notes of the relevant Series or for Definitive Bearer Notes (or Individual Registered Certificate, as the case may be) of the relevant Series, in each case pursuant to its provisions;

provided that for each of the following purposes, namely:

- (a) the right to attend and vote at any meeting of the Holders of Notes of any Series or to participate in any Written Resolution or Electronic Consent under Clause 20 (*Written Resolution and Electronic Consent*) of Schedule 4 (*Provisions for Meetings of Noteholders*);
- (b) the determination of how many and which Notes of any Series are for the time being outstanding for the purposes of Clause 8.1 (*Waiver*), Condition 14 (*Events of Default*), Condition 18 (*Meetings of Noteholders; Modification and Waiver; Substitution*) and Schedule 4 (*Provisions for Meetings of Noteholders*);



- (c) any discretion, power or authority, whether contained in this Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Holders of the Notes of any Series or any of them; and
- (d) the determination by the Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Noteholders or any of them,

those Notes (if any) of the relevant Series which are for the time being held by any person (including but not limited to the Issuer or any Subsidiary of the Issuer) for the benefit of the Issuer or any Subsidiary of the Issuer shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

For the purposes of this definition, in the case of each NGN and each Global Registered Certificate to be held under the NSS, the Trustee shall rely on the records of the ICSDs in relation to any determination of the principal amount outstanding on such NGN or Global Registered Certificate;

**“Permanent Global Note”** means, in relation to any Series, a Global Bearer Note to be issued pursuant to Clause 4.1 (*Global Bearer Notes*) in the form or substantially in the form set out in Part 2 of Schedule 2 (*Form of Permanent Global Note*);

**“Potential Event of Default”** means an event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 14 (*Events of Default*), become an Event of Default;

**“Programme Agreement”** means the programme agreement dated 17 September 2019 (as amended and/or supplemented and/or restated from time to time) between the Issuer and the Dealers named therein in relation to the Programme;

**“Registered Note”** means a Note issued in registered form;

**“Registrar”** means in relation to the Registered Notes of any Series, Citibank, N.A., London Branch, initially appointed as registrar in relation to such Notes pursuant to the Agency Agreement and/or, if applicable, any successor registrar in relation to such Registered Notes;

**“repay”** includes **“redeem”** and vice versa and **“repaid”**, **“repayable”**, **“repayment”**, **“redeemed”**, **“redeemable”** and **“redemption”** shall be construed accordingly;

**“Series”** means a Tranche of Notes together with any further Tranche or Tranches of Notes expressed to be consolidated and form a single series with the Notes of the original Tranche and the terms of which are identical (save for the Issue Date and/or the Interest Commencement Date but including as to whether or not the Notes are listed);

**“Specified Office”** shall have the meaning given to such term in the Agency Agreement;

**“Stock Exchange”** means any stock exchange, listing authority and/or quotation system on or by which the Notes are admitted to listing, trading and/or quotation;

**“Subsidiary”** means, in relation to any other company, a company which is for the time being a subsidiary (within the meaning of Section 1159 of the Companies Act 2006 of the United Kingdom) of such other company;

**“Talons”** means a talon for further Coupons;

**“Temporary Global Note”** means, in relation to any Series, a Global Bearer Note to be issued pursuant to Clause 4.1 (*Global Bearer Notes*) in the form or substantially in the form set out in Part 1 of Schedule 2 (*Form of Temporary Global Note*);

**“this Trust Deed”** means this Trust Deed and the Schedules (as from time to time modified in accordance with the provisions contained herein) and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions hereof (as from time to time modified as aforesaid) and expressed to be supplemental hereto; and

**“Trustee Acts”** means both the Trustee Act 1925 and the Trustee Act 2000 of England and Wales.

## 1.2 Interpretation

In this Trust Deed:

- 1.2.1 **Statutory modification:** any references to a provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment,
- 1.2.2 **Additional amounts:** any references to principal and/or interest in respect of the Notes of any Series shall be deemed also to include any additional amounts, any redemption amounts, any premium which may be payable under the Conditions,
- 1.2.3 **Relevant Currency:** any references to the “relevant currency” shall be construed as references to the currency in which payments in respect of the Notes and/or Coupons of the relevant Series are to be made as indicated in the relevant Final Terms;
- 1.2.4 **Tax:** any references to costs, charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof;
- 1.2.5 **Enforcement of rights:** any references to an action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdictions as shall most nearly approximate thereto;
- 1.2.6 **Clauses and Schedules:** any references to a Schedule or a Clause are, unless otherwise stated, to a schedule hereto or a clause hereof respectively.
- 1.2.7 **Clearing systems:** any references to Euroclear and/or Clearstream, Luxembourg shall, wherever the context so admits, be deemed to include references to any additional or alternative clearing system approved by the Issuer and the Trustee;
- 1.2.8 **Trust corporation:** any references to a trust corporation denote a corporation entitled by rules made under the Public Trustee Act 1906 to act as a custodian trustee or entitled pursuant to any other legislation applicable to a trustee in any jurisdiction other than England to act as trustee and carry on trust business under the laws of the country of its incorporation;
- 1.2.9 **Coupons:** in the case of any Notes which are Zero Coupon Notes or Registered Notes, references to Coupons and Couponholders in this Trust Deed are not applicable to such Notes;

- 1.2.10 Talons:** if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons in this Trust Deed shall be deemed to include references to Talons with respect to such Notes;
- 1.2.11 Gender:** words denoting the masculine gender shall include the feminine gender also, words denoting individuals shall include companies, corporations and partnerships, words importing the singular number shall include the plural and, in each case, vice versa; and
- 1.2.12 Records:** any reference to the records of an ICSD shall be to the records that each of the ICSDs holds for its customers which reflect the amount of such customers' interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD).

### **1.3 Headings**

The headings and sub-headings are for ease of reference only and shall not affect the construction of this Trust Deed.

### **1.4 Schedules**

The schedules are part of this Trust Deed and shall have effect accordingly.

## **2 Amount and Issue of Notes**

### **2.1 Amount of the Notes**

The Notes will be issued in Series in an aggregate principal amount from time to time outstanding not exceeding the programme limit.

### **2.2 Prior to each Issue Date**

By not later than 10.00 a.m. (London time) on the business day in London (which for this purpose shall be a day (other than a Saturday or Sunday) on which commercial banks are open for business in London) preceding each proposed Issue Date, the Issuer shall:

- 2.2.1** deliver or cause to be delivered to the Trustee a draft of the relevant Final Terms and, if applicable following such delivery, notify the Trustee of any proposed changes to the draft Final Terms delivered to the Trustee; and
- 2.2.2** notify the Trustee in writing without delay of the Issue Date and the principal amount of the Notes of the relevant Tranche.

### **2.3 Constitution of Notes**

Upon the issue of the Temporary Global Note, in the case of Bearer Notes, or the Certificate or Certificates, in the case of Registered Notes, initially representing the Notes of any Tranche, such Notes shall become constituted by this Trust Deed without further formality.

## **3 Covenant to pay**

### **3.1 Covenant to pay**

The Issuer covenants with the Trustee that it shall, as and when the Notes of any Series or any of them become due to be redeemed or any principal on the Notes of any Series or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in immediately available or same day,

freely transferable funds in the Specified Currency the principal amount of the Notes of such Series or any of them becoming due for payment on that date and shall (subject to the provisions of the Conditions and except in the case of Zero Coupon Notes), until all such payments (both before and after judgment or other order of any court of competent jurisdiction) are duly made, unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions interest on the principal amount (or such other amount as may be specified in the Final Terms) of the Notes or any of them of such Series outstanding from time to time as set out in the Conditions (subject to Clause 3.3 (*Interest on Floating Rate Notes following Event of Default*)) provided that:

- 3.1.1 every payment of principal or interest or other sum due in respect of such Notes or any of them made to the Principal Paying Agent, or as the case may be, the Registrar in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause 3.1, except to the extent that there is default in the subsequent payment thereof to the relevant Noteholders or Couponholders (as the case may be) in accordance with the Conditions;
- 3.1.2 in the case of any payment of principal made to the Trustee or the Principal Paying Agent, as the case may be, after the due date or on or after declaration that the Notes have become due and repayable in accordance with Condition 14 (*Events of Default*), interest shall continue to accrue on the principal amount repayable in respect of the relevant Notes on the relevant due date at the rates and/or in the amounts aforesaid or, in the case of Zero Coupon Notes, shall accrue on such principal amount at the rate (if any) determined in accordance with the relevant Final Terms, up to and including the date (being not later than 30 days after the day on which the whole of such principal amount, together with an amount equal to the interest which has accrued and is to accrue pursuant to this proviso up to and including that date, has been received by the Trustee or the Principal Paying Agent, as the case may be) which the Trustee determines to be the date on and after which payment is to be made in respect thereof as stated in a notice, given to the holders of such Notes in accordance with Condition 21 (*Notices*); and
- 3.1.3 in any case where payment of the whole or any part of the principal amount repayable in respect of any Note is improperly withheld or refused upon due presentation thereof (other than in circumstances contemplated by Clause 3.1.2) interest shall accrue on the principal amount of such Note payment of which has been so withheld or refused at the rates and/or in the amounts aforesaid or, in the case of Zero Coupon Notes, at the rate (if any) determined in accordance with the relevant Final Terms, from the date of such withholding or refusal up to and including the date on which, upon further presentation of the relevant Note, payment of the full amount (including interest as aforesaid) in the Specified Currency is made or (if earlier) the date on which notice is given to the relevant Noteholder (whether individually or in accordance with Condition 21 (*Notices*)) that the full amount (including interest as aforesaid) in the Specified Currency is available for payment, provided that, upon further presentation thereof being duly made, such payment is made.

The Trustee will hold the benefit of this covenant and the covenant in Clause 6 (*Covenant to comply with this Trust Deed*) on trust for the Noteholders in accordance with their respective interests.

### **3.2 Following an Event of Default**

At any time after any Event of Default or Potential Event of Default shall have occurred or the Trustee shall have received any money which it proposes to pay under Clause 11.1 to the relevant Noteholders, the Trustee may:

**3.2.1** by notice in writing to the Issuer, the Principal Paying Agent and the other Agents require the Principal Paying Agent and the other Agents or any of them:

- (i) to act thereafter, until otherwise instructed by the Trustee, as Agents of the Trustee under the provisions of this Trust Deed on the terms provided in the Agency Agreement (with consequential amendments as necessary and save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Agents shall be limited to amounts for the time being held by the Trustee on the trusts of this Trust Deed in relation to the Notes on the terms of this Trust Deed and available to the Trustee for such purpose) and thereafter to hold all Notes, Coupons and Certificates and all sums, documents and records held by them in respect of Notes, Coupons and Certificates on behalf of the Trustee; and/or
- (ii) to deliver up all Notes, Coupons and Certificates and all sums, documents and records held by them in respect of Notes, Coupons and Certificates to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any document or record which the relevant Agent is obliged not to release by any law or regulation; and

**3.2.2** by notice in writing to the Issuer require it to make all subsequent payments in respect of Notes, Coupons and Certificates to or to the order of the Trustee and, with effect from the issue of any such notice until such notice is withdrawn, proviso 3.1.1 to Clause 3.1 (*Covenant to pay*) and (so far as it concerns payments by the Issuer) Clause 11.3 (*Payment to Noteholders and Couponholders*) shall cease to have effect.

### **3.3 Interest on Floating Rate Notes following Event of Default**

If Floating Rate Notes become immediately due and repayable under Condition 14 (*Events of Default*) the rate and/or amount of interest payable in respect of them will be calculated at the same intervals as if such Notes had not become due and repayable, the first of which will commence on the expiry of the Interest Period (as defined in the Conditions) during which the Notes become so due and repayable in accordance with Condition 14 (*Events of Default*) (with consequential amendments as necessary) except that the rates of interest need not be published.

### **3.4 Further Notes**

The Issuer shall be at liberty from time to time (but subject always to the provisions of this Trust Deed and the Issuer obtaining any Supervisory Permission required) without the consent of the Noteholders or Couponholders to create and issue further securities either having the same terms and conditions as the Notes in all respects and ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon), and so that the same shall be consolidated and form a single series, with the outstanding Notes of a particular Series or upon such terms as the Issuer may determine at the time of their issue.

### **3.5 Currency of payments**

All payments in respect of, under and in connection with this Trust Deed and the Notes to the relevant Noteholders and Couponholders shall be made in the relevant currency as required by the Conditions.

### **3.6 Separate Series**

The Notes of each Series shall form a separate Series of Notes and accordingly, unless for any purpose the Trustee in its absolute discretion shall otherwise determine, all the provisions of this Trust Deed shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions “Notes”, “Noteholders”, “Coupons”, “Couponholders” and “Talons” shall be construed accordingly.

## **4 The Notes**

### **4.1 Global Bearer Notes**

4.1.1 The Bearer Notes of each Tranche will initially be represented by a Temporary Global Note. Each Temporary Global Note shall (save as may be specified in the relevant Final Terms) be exchangeable, in accordance with its terms, for interests in a Permanent Global Note.

4.1.2 Each Permanent Global Note shall be exchangeable, in accordance with its terms, for Definitive Notes.

4.1.3 All Global Bearer Notes shall be prepared, completed and delivered to a common depository for Clearstream, Luxembourg and Euroclear or, as the case may be, a Common Safekeeper in accordance with the Programme Agreement or to another depository in accordance with any other agreement between the Issuer and the Relevant Dealer(s) and, in each case, in accordance with the Agency Agreement. The relevant Final Terms shall be annexed to each Global Bearer Note.

### **4.2 Global Certificates**

4.2.1 The Registered Notes of each Tranche will initially be evidenced by one or more Global Certificates.

4.2.2 Interests in Global Certificates shall be exchangeable, in accordance with their terms, for Individual Certificates.

4.2.3 All Global Certificates shall be prepared, completed and delivered to a common depository for Clearstream, Luxembourg and Euroclear in accordance with the Programme Agreement or to another depository in accordance with any other agreement between the Issuer and the Relevant Dealer(s) and, in each case, in accordance with the Agency Agreement. The relevant Final Terms shall be annexed to each Global Certificate.

### **4.3 Definitive Notes**

Definitive Notes will be security printed in accordance with applicable legal and stock exchange requirements substantially in the form set out in Part 3 of Schedule 2 (*Form of Definitive Note*). Any Coupons and Talons will also be security printed in accordance with the same requirements and will be attached to the Definitive Notes at the time of issue. Definitive Notes will be endorsed with the Conditions.

#### **4.4 Individual Certificates**

Individual Certificates will be security printed in accordance with applicable legal and stock exchange requirements substantially in the form set out in Part 2 of Schedule 3 (*Form of Individual Certificate*). Individual Certificates will be endorsed with the Conditions.

#### **4.5 Signature**

The Global Bearer Notes, the Definitive Notes and the Certificates will be signed manually or in facsimile by one or more Authorised Signatories designated by the Issuer and will be authenticated manually or in facsimile by or on behalf of the Principal Paying Agent (in the case of Global Bearer Notes and Definitive Notes) or the Registrar (in the case of Certificates) or any agent on behalf of the Principal Paying Agent or the Registrar and, if applicable, will be effectuated manually by or on behalf of the Common Safekeeper. The Issuer may use the facsimile signature of one or more Authorised Signatories who at the date such signature was originally produced was such a duly Authorised Signatory even if at the time of issue of any Global Bearer Note, Definitive Note or Certificate he no longer holds that office. Global Bearer Notes, Definitive Notes and Certificates so executed and duly authenticated (and, if applicable, effectuated) will be binding and valid obligations of the Issuer.

#### **4.6 Entitlement to treat Holder as owner**

The Issuer, the Trustee and any Agent may deem and treat the Holder of any Note or Coupon as the absolute owner thereof, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate Holder of such Note or Coupon (whether or not such Note or Coupon shall be overdue and notwithstanding any notation of ownership or other writing thereon or any notice of any trust or of previous loss or theft of such Note or Coupon) for all purposes save as otherwise herein provided in relation to any Global Bearer Note or Global Certificate and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Trustee and the Agents shall not be affected by any notice to the contrary. All payments made to any such Holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon the Notes.

The Issuer, the Trustee or any Agent may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on, as sufficient evidence thereof, a certificate or letter of confirmation or print out of electronic records issued on behalf of Clearstream, Luxembourg, Euroclear (including Euroclear's Euclid or Clearstream, Luxembourg's CreationOnline system) or any other relevant clearing system or any form of record made by any of them to the effect that, at any particular time or throughout any particular period any particular person is, was, or will be, shown in its records as the holder of a particular principal amount of Notes represented by a Global Bearer Note or Global Registered Certificate as the case may be.

### **5 Subordination**

#### **5.1 Senior Preferred Notes**

The Senior Preferred Notes and any Coupons relating to such Senior Preferred Notes shall rank in accordance with Condition 3(a) (*Status – Senior Preferred Notes*).

#### **5.2 Senior Non-Preferred Notes**

If a Winding-Up of the Issuer occurs, the rights and claims of the Holders and the Couponholders (and the Trustee on their behalf) against the Issuer in respect of, or arising under, each Senior Non-Preferred Note (and the Coupons relating thereto, if any) shall be for the amounts provided in, and shall rank in accordance with, Condition 3(b) (*Status – Senior Non-Preferred Notes*).

### **5.3 Tier 2 Capital Notes**

If a Winding-Up of the Issuer occurs, the rights and claims of the Holders and the Couponholders (and the Trustee on their behalf) against the Issuer in respect of, or arising under, each Tier 2 Capital Note (and the Coupons relating thereto, if any) shall be for the amounts provided in, and shall rank in accordance with, Condition 3(c) (*Status – Tier 2 Capital Notes*).

### **5.4 No set-off**

The provisions of this Clause 5.4 shall have effect in relation to (1) any Series of Senior Non-Preferred Notes where the relevant Final Terms specify that Condition 3(d) (*Status – No set-off*) applies and (2) each Series of Tier 2 Capital Notes.

Subject to applicable law, each Noteholder and each Couponholder will be deemed to have waived and have directed and authorised the Trustee on its behalf to have waived any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with any Notes, any related Coupons or this Trust Deed. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under or in connection with any Notes or any related Coupons is discharged by set-off, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer (as the case may be)) and accordingly any such discharge shall be deemed not to have taken place.

### **5.5 Trustee rights**

Nothing in this Clause 5 or in Clause 9 or Condition 3 (*Status*) shall affect or prejudice the payment of the costs, charges, expenses, Liabilities or remuneration of the Trustee in its personal capacity or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer.

## **6 Covenant to Comply with this Trust Deed**

### **6.1 Covenant to comply with the Trust Deed**

The Issuer hereby covenants separately with the Trustee to comply with those provisions of this Trust Deed and the Conditions which are expressed to be binding on it and to perform and observe the same. The Notes and the Coupons are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer, the Noteholders, the Couponholders and all persons claiming through or under them respectively. The Conditions shall be binding on the Issuer, the Noteholders and the Couponholders.

### **6.2 Trustee may enforce Conditions**



The Trustee shall be entitled to enforce the obligations of the Issuer under this Trust Deed, the Notes and the Conditions and to exercise any other rights, powers, authorities or discretions conferred upon the Trustee under the Notes, in each case as if the same were set out and contained in this Trust Deed, which shall be read and construed as one document with the Notes.

## **7 Covenants by the Issuer**

The Issuer hereby covenants with the Trustee that, so long as any of the Notes remain outstanding, it will:

- 7.1 Books of account:** keep proper books of account and, at any time after an Event of Default has occurred or, if the Trustee reasonably believes that such an event has occurred, so far as permitted by applicable law, allow the Trustee and anyone appointed by it to whom the Issuer has no reasonable objection, access to its books of account at all reasonable times during normal business hours;
- 7.2 Notice to the Trustee:** give notice in writing to the Trustee immediately on becoming aware of any Event of Default, Potential Event of Default, Loss Absorption Disqualification Event, Capital Disqualification Event, Tax Event or Winding-Up of the Issuer;
- 7.3 Certificate of compliance:** send to the Trustee, within 14 days of its annual audited financial statements being made available to its members, and also within 14 days of any request by the Trustee, a certificate, signed by any two Authorised Signatories certifying that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Authorised Signatories as at a specified date (the "**Certification Date**") not earlier than five days before the date of delivery of the certificate (i) no Event of Default, Potential Event of Default, Loss Absorption Disqualification Event, Capital Disqualification Event, Tax Event or Winding-Up of the Issuer had occurred since the Certification Date of the last such certificate or (if none) the date of this Trust Deed or, if such an event had occurred, giving details of it and (ii) that during such period specified in (i) above, the Issuer has complied in all material respects with its obligations contained in this Trust Deed, or, if such is not the case, giving the relevant details;
- 7.4 Financial statements etc.:** send to the Trustee at the time of their issue and in the case of annual financial statements in any event within 180 days after the end of each financial year, one copy in English of every balance sheet, profit and loss account, report or other notice or circular issued to the members or creditors (as a class) of the Issuer generally in their capacity as such;
- 7.5 Information:** so far as permitted by applicable law, at all times give to the Trustee such information as it reasonably requires to perform its functions;
- 7.6 Clearing systems notices:** use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg or any other relevant clearing system (as the case may be) issue(s) any certificate or other document requested by the Trustee under Clause 7.7 (*Notes held by Issuer or Subsidiary*) as soon as reasonably practicable after such request;
- 7.7 Notes held by Issuer or Subsidiary:** send to the Trustee as soon as practicable after being so requested by the Trustee a certificate of the Issuer (signed on its behalf by two Authorised

Signatories) stating the number of Notes of each Series held at the date of such certificate by or on behalf of the Issuer;

- 7.8 Notice of Late Payment:** forthwith upon request by the Trustee give notice to the relevant Noteholders of any unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of any Notes made after the due date for such payment;
- 7.9 Notices to Noteholders:** send to the Trustee not less than five London business days prior to the day on which such notice is to be given the form of each notice to be given to Noteholders and, once given, a copy of each such notice, such notice to be in a form approved by the Trustee (such approval, unless so expressed, not to constitute approval for the purposes of section 21 of the FSMA of any such notice which is a communication within the meaning of section 21 of the FSMA);
- 7.10 Obligations of Agents:** comply with and perform all its obligations under the Agency Agreement and use all reasonable endeavours to procure that the Paying Agents comply with and perform all their respective obligations thereunder;
- 7.11 Listing:** in the case of Notes admitted to listing, trading and/or quotation by one or more competent authorities, stock exchanges and/or quotation systems, use all reasonable endeavours to obtain and maintain the admission to listing, trading and/or quotation of all such Notes by the relevant competent authority, stock exchange and/or quotation system until none of the Notes is outstanding provided, however, that if at any time (1) the Issuer, having used such endeavours, is unable to comply with the requirements for maintaining the admission to listing, trading and/or quotation of such Notes or (2) if the requirements for maintaining the admission to listing, trading and/or quotation of such Notes is to have become unduly onerous agreed by the Trustee and the Trustee is satisfied that the interests of the Noteholders would not be thereby materially prejudiced, the Issuer shall use all reasonable endeavours to obtain and maintain a listing, trading and/or quotation of such Notes on another stock exchange or market, in each case approved in writing by the Trustee;
- 7.12 Change in Agents:** give at least 14 days' prior notice to the relevant Noteholders in accordance with Condition 21 (*Notices*) of any future appointment, resignation or removal of an Agent or of any change by an Agent of its specified office, and not make any such appointment or removal without the Trustee's prior written approval;
- 7.13 Further Acts:** so far as permitted by applicable law, do all such further things as may be necessary in the opinion of the Trustee to give effect to this Trust Deed; and
- 7.14 Provision of Legal Opinions:** use all reasonable endeavours to procure the delivery of legal opinions addressed to the Trustee dated the date of such delivery, in form and content acceptable to the Trustee, from legal advisors reasonably acceptable to the Trustee on the date of any amendment or modification to this Trust Deed and on such date as may be reasonably necessary for the performance of duties by the Trustee in accordance with the Conditions and this Trust Deed.

## **8 Waiver, Modifications and Substitution**

### **8.1 Waiver**

The Trustee may, without any consent or sanction of the Noteholders or Couponholders and without prejudice to its rights, in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby, on such terms and conditions (if

any) as shall seem expedient to it, authorise or waive, any breach or proposed breach of provisions contained in this Trust Deed or the Agency Agreement or the Notes or the Coupons or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of this Trust Deed and the Notes; any such authorisation, waiver or determination shall be binding on the Noteholders and the Couponholders and the Issuer shall cause such authorisation, waiver or determination to be notified to the Noteholders as soon as practicable thereafter in accordance with the Conditions; provided that the Trustee shall not exercise any powers conferred upon it by this Clause 8.1 in contravention of any express direction by an Extraordinary Resolution or of a request in writing made by the Holders of not less than 25 per cent. in aggregate principal amount of the Notes then outstanding (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made) or so as to authorise or waive any such breach or proposed breach relating to any of the matters the subject of the Reserved Matters as specified and defined in Schedule 4 (*Provisions for Meetings of Noteholders*).

## **8.2 Modifications**

The Trustee may agree without the consent of the Noteholders or Couponholders to (i) any modification of the Conditions or of any other provisions of this Trust Deed or the Agency Agreement which in its opinion is of a formal, minor or technical nature or is made to correct a manifest error and (ii) any other modification to (except that such power does not extend to any such modification in relation to a Reserved Matter) the Conditions or of the provisions of this Trust Deed or the Agency Agreement which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders or the Couponholders (which will not include, for the avoidance of doubt, any provisions entitling the Noteholders or Couponholders to institute proceedings for the winding-up of the Issuer which are more extensive than those set out in Condition 14 (*Events of Default*)).

In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments in the circumstances and as otherwise set out in (and subject to the terms of) Condition 9(d) (*Benchmark Discontinuation – Benchmark Amendments*) without the consent of the Noteholders or Couponholders.

Any such modification, shall be binding on the Noteholders and, if the Trustee so requires, such modification shall be notified by the Issuer to the Noteholders as soon as practicable. Any modification undertaken in relation to any Series of Tier 2 Capital Notes or Senior Non-Preferred Notes shall comply with the requirements of Condition 18(e) (*Meetings of Noteholders; Modification and Waivers; Substitution – Supervisory Permission*). In addition, the Trustee shall agree (without the consent of the Noteholders) to the variation of the Conditions and this Trust Deed in accordance with, and subject to the provisions of Conditions 10(l) (*Redemption and Purchase – Pre-condition to Redemption, Purchase, Substitution or Variation of Tier 2 Capital Notes*), 10(m) (*Redemption and Purchase – Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*), and 10(n) (*Redemption and Purchase – Pre-condition to Redemption of Senior Preferred Notes*).

## **8.3 Substitution**

**8.3.1** The Trustee may without the consent of the Noteholders or Couponholders at any time agree with the Issuer to the substitution in place of the Issuer (or of the previous substitute under this Clause 8.3.1) as the principal debtor under this Trust Deed of

another entity (any such substituted company being hereinafter called the “**Substitute Obligor**”) provided that a trust deed is executed or some other form of undertaking is given by the Substitute Obligor, in form and manner satisfactory to the Trustee, agreeing to be bound by the provisions of this Trust Deed with any consequential amendments which the Trustee may deem appropriate as fully as if the Substitute Obligor had been named in this Trust Deed as the principal debtor in place of the Issuer (or of the previous substitute under this Clause 8.3.1) and provided further that in the case of any Series of Senior Preferred Notes or any Series of Senior Non-Preferred Notes, (unless the successor in business of the Issuer is the Substitute Obligor) such Senior Preferred Notes or Senior Non-Preferred Notes, as the case may be, and any related Coupons being or, where appropriate, remaining irrevocably guaranteed by the Issuer.

**8.3.2** The following further conditions shall apply to Clause 8.3.1 (*Substitution*) above:

- (i) where the Substitute Obligor is incorporated, domiciled or resident in, or subject generally to the taxing jurisdiction of, a territory other than or in addition to the United Kingdom or any political sub-division thereof or any authority therein or thereof having power to tax, undertakings or covenants shall be given by the Substitute Obligor in terms corresponding to the provisions of Condition 13 (*Taxation*) with the substitution for (or, as the case may be, the addition to) the references to the United Kingdom of references to that other or additional territory in which the Substitute Obligor is incorporated, domiciled or resident or to whose taxing jurisdiction it is subject and (where applicable) Condition 10(c) (*Redemption and Purchase – Redemption for Tax Event*) shall be modified accordingly;
- (ii) without prejudice to the rights of reliance of the Trustee under the immediately following Clause 8.3.2(iii), the Trustee is satisfied that the relevant transaction is not materially prejudicial to the interests of the Noteholders;
- (iii) if two Directors or two duly authorised signatories of the Substitute Obligor (acceptable to the Trustee) shall certify that the Substitute Obligor is solvent at the time at which the relevant transaction is proposed to be effected (which certificate the Trustee may rely upon absolutely), the Trustee shall not be under any duty to have regard to the financial condition, profits or prospects of the Substitute Obligor or to compare the same with those of the Issuer (or the previous substitute under Clause 8.3.1); and
- (iv) such substitution shall not give rise to a Tax Event or a Capital Disqualification Event or a Loss Absorption Disqualification Event, as applicable to the relevant Series.

**8.3.3** The Issuer may, without the consent of the Noteholders or Couponholders, at its option, procure that (whether pursuant to the Newco Scheme or otherwise) Newco is substituted under the Notes and this Trust Deed as the new principal debtor under this Trust Deed and the Notes in the place of the Issuer (or any previous substitute therefor under this Clause 8.3), and upon such substitution all references to “the Issuer” hereunder will be construed as references to Newco and the obligations of the Issuer (or the relevant previous substitute) as Issuer under the Notes and this

Trust Deed will, without any further formality (including, without limitation, the execution of any agreement or deed) be terminated.

The Trustee shall (at the expense of the Issuer) use its reasonable endeavours to co-operate with the Issuer (including, but not limited to, entering into such documents or deeds (if any) as may be necessary) to give effect to, or evidence, such substitution set out in this Clause 8.3.3 or upon the occurrence of the Newco Scheme, including approving, without the need for the consent or approval of the Noteholders, such amendments to the Conditions, this Trust Deed and/or the Agency Agreement as the Trustee considers necessary or expedient in connection with such substitution.

If Newco is incorporated, domiciled or resident in, or subject generally to the taxing jurisdiction of, a territory other than or in addition to the United Kingdom or any political sub-division thereof or any authority therein or thereof having power to tax, Newco will (unless the Trustee otherwise agrees) give to the Trustee an undertaking or covenant satisfactory to the Trustee in terms corresponding to the provisions of Condition 13 (*Taxation*) with the substitution for (or, as the case may be, the addition to) the references to the United Kingdom of references to that other or additional territory in which Newco is incorporated, domiciled or resident or to whose taxing jurisdiction it is subject and (where applicable) Condition 10(c) (*Redemption and Purchase – Redemption for Tax Event*) shall be modified accordingly.

In the case of a substitution of Newco pursuant to this Clause 8.3.3, the Issuer shall, without the consent of Noteholders or Couponholders, amend the provisions relating to the ranking of any Senior Non-Preferred Notes such that they become, and rank equally with, the ordinary non-preferential debt of Newco. The Trustee shall (at the expense of the Issuer) use its reasonable endeavours to co-operate with the Issuer (including, but not limited to, entering into such documents or deeds (if any) as may be necessary) to give effect to, or evidence, such amendments.

- 8.3.4** Notwithstanding sub-Clause 8.3.3, the Issuer shall not be permitted to substitute Newco as the Issuer of the Notes if (i) the Issuer or Newco is in Winding-Up at the relevant time or (ii) a Capital Disqualification Event or Loss Absorption Disqualification Event, as applicable, would occur as a result of, and immediately following, such substitution.
- 8.3.5** The Trustee may in the event of any substitution pursuant to this Clause 8.3 agree, without the consent of the Noteholders, to a change in the law governing the subordination and waiver of set-off provisions set out in the Conditions and/or the Trust Deed, provided that such change will not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders and Couponholders.
- 8.3.6** Any trust deed or undertaking shall, if so expressed, operate to release the Issuer (or the previous substitute as aforesaid) from all of its obligations as principal debtor under this Trust Deed. Not later than 14 days after the execution of such documents and compliance with such requirements, the Substitute Obligor or Newco, as the case may be, shall give notice thereof in a form previously approved by the Trustee to the Noteholders in the manner provided in Condition 21 (*Notices*). Upon the execution of such documents and compliance with such requirements, the Substitute Obligor or Newco, as the case may be shall be deemed to be named in this Trust Deed as the principal debtor in place of the Issuer (or in place of the previous

substitute under this Clause 8.3 (*Substitution*) under this Trust Deed and this Trust Deed shall be deemed to be amended in such manner as shall be necessary to give effect to the above provisions and, without limitation, references in this Trust Deed to the Issuer shall, where the context so requires, be deemed to be or include references to the Substitute Obligor or Newco, as the case may be.

**8.3.7** In connection with any proposed substitution, the Trustee 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 individual Noteholders or Couponholders.

#### **8.4 Consent of the Competent Authority**

In connection with any proposed modification to the Notes, the Conditions or this Trust Deed, or any proposed substitution of the Issuer pursuant to Clause 8.3, the powers of the Trustee to concur with the Issuer in making any modification to the Conditions or any such substitution, shall only be exercised by the Trustee subject to the Issuer having notified the Competent Authority of its intention to do so in accordance with the Conditions and (if required by applicable law and regulation) provided that there is a requirement to give such notice and obtain such Supervisory Permission (i) the Competent Authority having granted Supervisory Permission for such modification and (ii) the Issuer having notified the Trustee of such Supervisory Permission being granted. The Trustee may rely without further enquiry and without liability to any person on any written confirmation provided to it by the Issuer in relation to the Issuer's communications with the Competent Authority in this regard; and

For the purposes of Schedule 3 in relation to any meetings of Noteholders, the powers of a meeting of Noteholders to sanction any proposal for the alteration, abrogation, variation, compromise of, or arrangement in respect of, the rights of the Noteholders in relation to a particular Series of Notes against the Issuer and the powers to assent to any alteration of the provisions contained in this Trust Deed in respect of such Notes or in the Notes which shall be proposed by the Issuer or the Trustee, shall, to the extent that this involves an alteration of the Conditions, be subject to the giving by the Competent Authority of its prior Supervisory Permission to such alteration and the provisions of Schedule 4 shall take effect accordingly provided that there is a requirement to give such notice and obtain such Supervisory Permission.

### **9 Enforcement**

**9.1** This Clause 9.1 shall have effect only in relation to any Series of Senior Preferred Notes or Senior Non-Preferred Notes where the relevant Final Terms specify that Condition 14(b) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) does not apply. The Trustee may at any time, at its discretion and without notice, take such proceedings and/or other action or step as it may think fit, in relation to any Series of Notes, against or in relation to the Issuer to enforce its obligations under this Trust Deed, the Notes or the Conditions (subject to and in accordance with the Conditions).

- 9.2** This Clause 9.2 shall have effect only in relation to (1) any Series of Senior Preferred Notes or any Series of Senior Non-Preferred Notes where the relevant Final Terms specify that Condition 14(b) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) applies and (2) each Series of Tier 2 Capital Notes.
- 9.2.1** At any time following an event of non-payment described in Condition 14(b)(i) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*), and subject as further provided therein, the Trustee may, at its discretion and without further notice, institute proceedings for the winding up of the Issuer and/or prove and/or claim in a Winding-Up.
- 9.2.2** The Trustee may, at its discretion and without further notice and in accordance with Condition 14(b)(i) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*), institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Trust Deed or the Notes; provided always that the Trustee (acting on behalf of the Noteholders but not the Trustee acting in its personal capacity under this Trust Deed) and the Noteholders shall not enforce, and shall not be entitled to enforce or otherwise claim against the Issuer, any cash sum sooner than the same would otherwise have been payable by the Issuer under the Trust Deed or the Notes.
- 9.2.3** No remedy against the Issuer, other than the institution of the proceedings or taking of steps or actions referred to in Clause 9.2.1 or Clause 9.2.2 (*Enforcement*), Condition 14(b) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) or proving in a Winding-Up, shall be available to the Trustee or the Noteholders or the Couponholders whether for the recovery of amounts owing under this Trust Deed in respect of such Notes or the Coupons appertaining thereto or in respect of any breach by the Issuer of any of its other obligations under this Trust Deed in relation thereto.
- 9.2.4** If a Winding-Up of the Issuer occurs, the Trustee at its discretion may and, if so requested in writing by the holders of at least one-quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction) declare the Notes to be due and repayable immediately (and the Notes shall thereby become so due and repayable) at their principal amount together with any accrued but unpaid interest and payments are subject to the subordination provisions set out in Condition 3 (*Status*).
- 9.3** The Trustee shall not be bound to take any of the steps, actions or proceedings referred to in Clauses 9.1, 9.2.1 or 9.2.2.2 (*Enforcement*) above to enforce the obligations of the Issuer under this Trust Deed, the Notes or the Conditions or any other action in relation to this Trust Deed (including, without limitation, declaring the Notes due and repayable immediately under Condition 14 (*Events of Default*)), unless (1) it shall have been so directed by an Extraordinary Resolution or requested in writing by the holders of at least one quarter of the aggregate principal amount of the Notes then outstanding; and (2) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.
- 9.4** No Holder of any Notes or related Coupons (if any) shall be entitled to institute any of the proceedings or take the steps or actions referred to in Clauses 9.1, 9.2.1 or 9.2.2

(*Enforcement*) or to prove and/or claim in a Winding-Up, except that, if the Trustee, having become bound to proceed against the Issuer as aforesaid, fails to do so or, being able to prove in such Winding-Up, fails or is unable to do so, in each case within 60 days, and in each such case such failure or inability shall be continuing, then any such Holder may itself institute such proceedings and/or prove and/or claim in such Winding-Up to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do in respect of its Notes and/or Coupons. In the case of (1) any Series of Senior Preferred Notes or any Series of Senior Non-Preferred Notes where the relevant Final Terms specify that Condition 14(b) (*Events of Default – Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) applies and (2) each Series of Tier 2 Capital Notes, no remedy against the Issuer other than the institution of the proceedings referred to above or proving and/or claiming in a Winding-Up, shall be available to the Trustee or the Holders of the Notes whether for the recovery of amounts owing in respect of the Notes or Coupons or under this Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Notes or Coupons or under this Trust Deed.

## **10 Proof of Non-Payment**

**10.1** Should the Trustee (or any Noteholder or Couponholder where entitled under this Trust Deed so to do) take any legal proceedings against the Issuer:

**10.1.1** proof therein that, as regards any specified Note, default has been made in paying any principal and/or (where the same is not payable against presentation of a Coupon) interest due to the relative Noteholder shall (unless the contrary be proved) be sufficient evidence that like default has been made as regards all other Notes in respect of which a corresponding payment is then due; and

**10.1.2** proof therein that, as regards any specified Coupon, default has been made in paying any interest due to the relative Couponholder shall (unless the contrary be proved) be sufficient evidence that like default has been made as regards all other Coupons in respect of which a corresponding payment is then due.

## **11 Application of Moneys**

### **11.1 Application of moneys**

Subject, in the case of Senior Non-Preferred Notes and Tier 2 Capital Notes, to the provisions of Clause 5 (*Subordination*), for each Series all moneys received by the Trustee under this Trust Deed or amounts payable under this Trust Deed despite any appropriation of all or part of them by the Issuer shall be held by the Trustee upon trust to apply them (subject to Clause 11.2 (*Deposits*)):

**11.1.1** *first* in payment or satisfaction of the Liabilities properly incurred by or payable to the Trustee or its Appointee (including remuneration and other amounts payable to it under this Trust Deed) in carrying out its functions under this Trust Deed;

**11.1.2** *secondly* in payment or satisfaction of the Liabilities (including remuneration and other amounts payable to it under the Agency Agreement) properly incurred by or payable to the Agents in carrying out its functions under the Agency Agreement;

**11.1.3** *thirdly* in or towards payment *pari passu* and rateably of all arrears of interest remaining unpaid in respect of the Notes of that Series and all principal moneys due on or in respect of the Notes of that Series; and



11.1.4 *fourthly* in payment of the balance (if any) to the Issuer.

Without prejudice to the provisions of this Clause 11, if the Trustee shall hold any moneys which represent principal or interest in respect of Notes or Coupons which have become void under Condition 15 (*Prescription*), the Trustee shall (subject to payment or satisfaction, or provision for the payment or satisfaction, of all amounts referred to in Clauses 11.1.1 and 11.1.2 (*Application of moneys*)) pay the same to the Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer and any other person).

## **11.2 Deposits**

No provision of this Trust Deed shall (a) confer on the Trustee any right to exercise any investment discretion in relation to the assets subject to the trust constituted by this Trust Deed and, to the extent permitted by law, Section 3 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Trust Deed and (b) require the Trustee to do anything which may cause the Trustee to be considered a sponsor of a covered fund under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated thereunder.

The Trustee may deposit moneys in respect of the Notes in its name in an account at such bank or other financial institution as the Trustee may, in its absolute discretion, think fit. If that bank or financial institution is the Trustee or a subsidiary, holding or associated company of the Trustee, the Trustee need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on such a deposit to an independent customer.

The parties acknowledge and agree that in the event that any deposits in respect of the Notes are held by a bank or a financial institution in the name of the Trustee and the interest rate in respect of certain currencies is a negative value such that the application thereof would result in amounts being debited from funds held by such bank or financial institution, the Trustee shall not be liable to make up any shortfall or be liable for any loss.

The Trustee may at its discretion accumulate such deposits and the resulting interest and other income derived thereon. The accumulated deposits shall be applied under Clause 11.1 (*Application of moneys*).

## **11.3 Payment to Noteholders and Couponholders**

The Trustee shall give notice to the Noteholders in accordance with Condition 21 (*Notices*) of the date fixed for any payment under Clause 11.1 (*Application of moneys*). Any payment to be made in respect of the Notes or Coupons of any Series by the Issuer or the Trustee may be made in the manner provided in the Conditions, the Agency Agreement and this Trust Deed and any payment so made shall be a good discharge to the extent of such payment by the Issuer or the Trustee (as the case may be).

## **11.4 Production of Notes, Coupons and Certificates**

Upon any payment under Clause 11.3 (*Payment to Noteholders and Couponholders*) of principal or interest, the Note, Coupon or Certificate in respect of which such payment is made shall, if the Trustee so requires, be produced to the Trustee or the Paying Agent by or through whom such payment is made and the Trustee shall:

11.4.1 in respect of a Bearer Note or Coupon, (1) in the case of part payment, enface or cause such Paying Agent to enface a memorandum of the amount and date of

payment thereon (or, in the case of part payment of an NGN Temporary Global Note or an NGN Permanent Global Note cause the Principal Paying Agent to procure that the ICSDs make appropriate entries in their records to reflect such payment) or (2) in the case of payment in full, cause such Bearer Note or Coupon to be surrendered or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation; and

- 11.4.2 in respect of a Registered Note, (1) in the case of part payment, require the Registrar to make a notation in the Register of the amount and date of payment (and in the case of a Registered Note held under the New Safekeeping Structure, procure that the ICSDs make appropriate entries in their records to reflect such payment) or (2) in the case of payment in full, cause the relevant Certificate to be surrendered or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation.

## **11.5 Holders of Bearer Notes to be treated as holding all Coupons**

Wherever in this Trust Deed the Trustee is required or entitled to exercise a power, trust, authority or discretion under this Trust Deed, the Trustee shall, notwithstanding that it may have express notice to the contrary, assume that each Holder of Bearer Notes is the Holder of all Coupons and Talons appertaining to each Bearer Note of which he is the Holder.

## **12 Terms of Appointment**

By way of supplement to the Trustee Acts, it is expressly declared as follows:

### **12.1 Reliance on information**

#### **12.1.1 Advice**

The Trustee may in relation to this Trust Deed obtain (at the Issuer's cost) and act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by or addressed to the Trustee, the Issuer, any Subsidiary of the Issuer, any Agent or any other person) and which advice or opinion may be provided on such terms (including as to limitations on liability) as the Trustee may consider in its sole discretion to be consistent with prevailing market practice with regard to advice or opinions of that nature and shall not be responsible for any Liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by email, letter or facsimile transmission and the Trustee shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same shall contain some error or shall not be authentic.

#### **12.1.2 Certificate Authorised Signatories**

The Trustee may call for and shall be at liberty to accept a certificate signed by two Authorised Signatories of the Issuer or a certificate or report (which the Issuer agrees to procure) of the liquidator as to any fact or matter prima facie within the knowledge of the Issuer or the liquidator, as the case may be, as sufficient evidence thereof and a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient as sufficient evidence that it is expedient and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do. In relation to any certificate or report of any liquidator, the Trustee shall not be

responsible for any Liability occasioned by acting on such certificate or report, notwithstanding that the liability to the Trustee thereunder is limited, whether by a monetary cap or otherwise. Any such certificate shall be conclusive and binding on the Issuer, the Noteholders and the Couponholders.

#### **12.1.3 Resolution or direction of Noteholders**

The Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution, an Electronic Consent or to have been passed at any meeting of the Noteholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution, an Electronic Consent or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Noteholders.

#### **12.1.4 Noteholders as a class**

Whenever in this Trust Deed the Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, it shall have regard to the interests of the Noteholders as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences of such exercise for any individual Noteholder or Couponholder resulting from his or its being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.

#### **12.1.5 Trustee responsibility**

The Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed or any other document relating or expressed to be supplemental hereto and shall not be liable for any failure to obtain any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed, the Agency Agreement or any other document relating or expressed to be supplemental hereto or thereto.

#### **12.1.6 No obligation to monitor**

The Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Notes or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations.

#### **12.1.7 Notes held by the Issuer or its Subsidiaries**

In the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate of the Issuer under Clause 7(g) (*Notes held by Issuer or Subsidiary*)), that no Notes are for the time being held by or for the benefit of the Issuer or its Subsidiaries.

#### **12.1.8 Interests of Holders through Clearing Systems**

In considering the interests of Noteholders while the a Global Certificate or a Global Note is held on behalf of, or registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator (including statements from Euroclear's Euclid or Clearstream, Luxembourg's CreationOnline system) as to the identity (either individually or by category) of its accountholders with entitlements to a Global Certificate or a Global Note and may consider such interests as if such accountholders were the holders of the Notes represented by a Global Certificate or a Global Note.

#### **12.1.9 Securities Held in Clearing Systems**

The Trustee and the Issuer may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on any certificate, letter of confirmation, form of record or other document issued on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system or such other evidence, information and/or certification as it shall, in its absolute discretion, think fit to the effect that at any particular time or throughout any particular period any particular person is, was, or will be, shown in a clearing system's records as the Noteholder of a particular principal amount of Notes represented by a Global Certificate or a Global Note and if the Trustee or the Issuer does so rely, such letter of confirmation, form of record, evidence, information, document or certification shall be conclusive and binding on all persons concerned for all purposes. Any such certificate may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with such clearing system's usual procedures and in which the Noteholder of a particular principal amount of a Series of Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any letter of confirmation, form of record, evidence, information, document or certification to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg or any other clearing system and subsequently found to be forged, incorrect or not authentic.

#### **12.1.10 Entry on the Register**

In relation to Registered Notes, the Trustee shall not be liable to the Issuer or any Noteholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct.

#### **12.1.11 Events of Default**

The Trustee shall not be bound to give notice to any person of the execution of this Trust Deed or to take any steps to ascertain whether any Event of Default, Potential Event of Default, Loss Absorption Disqualification Event, Capital Disqualification Event, Tax Event or Winding-Up of the Issuer has happened and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Notes and under this Trust Deed and no event has happened as a consequence of which any of the Notes may become repayable.

#### **12.1.12 Right to deduct or withhold**

Notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

#### **12.1.13 Legal Opinions**

The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to the Notes or for checking or commenting upon the content of any such legal opinion and shall not be responsible for any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever incurred thereby.

#### **12.1.14 Ratings**

For the purpose of determining whether or not the exercise by the Trustee of any of its trusts, powers, authorities, duties and discretions under these presents (including, without limitation, any modification, waiver, authorisation, determination or substitution) is materially prejudicial to the interests of the Noteholders, the Trustee shall be entitled to rely on (but shall not be bound by) any confirmation from any rating agency that such exercise would not adversely affect the rating (if any) of the Notes.

#### **12.1.15 Personal Data**

Notwithstanding the other provisions of this Trust Deed or the Conditions, the Trustee may collect, use and disclose personal data about the parties (if any are an individual) or individuals associated with the Issuer and/or other parties, so that the Trustee can carry out its obligations to the Issuer and/or the other parties and for other related purposes, including auditing, fraud and crime prevention, money laundering, legal and regulatory compliance by the Trustee or members of the Trustee's corporate group or other services. The Trustee will keep the personal data up to date. The Trustee may also transfer the personal data to any country (including countries outside the European Economic Area where there may be less stringent data protection laws) to process information on the Trustee's behalf. Wherever it is processed, the personal data will be protected by a strict code of confidentiality and security to which all members of the Trustee's corporate group, their staff and any

third parties are subject, and will only be used in accordance with the Trustee's instructions.

## **12.2 Trustee powers and duties**

### **12.2.1 Trustee's determination**

The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of this Trust Deed, the Agency Agreement or contained in the Notes or the Coupons is capable of remedy and/or materially prejudicial to the interests of the Noteholders and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Noteholders, such certificate shall be conclusive and binding upon the Issuer, the Noteholders and the Couponholders.

### **12.2.2 Determinations by Trustee**

When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security or pre-funding given to it by the Noteholders or any of them or any other person be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the indemnity, security and/or pre-funding.

### **12.2.3 Determination of questions**

The Trustee as between itself and the Noteholders and the Couponholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee, the Noteholders and the Couponholders.

### **12.2.4 Trustee's discretion**

The Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Noteholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or secured and/or pre-funded to its satisfaction.

### **12.2.5 Action by the Trustee**

Notwithstanding anything else contained in this Trust Deed the Trustee shall not be required to take any action prior to instituting proceedings for the Winding-Up of the Issuer pursuant to Condition 14 (*Events of Default*) (save that it will procure, at the expense of the Issuer, notice to be given to the Noteholders of any Event of Default of which it has actual knowledge or express notice) if such action would require the Trustee to incur any expenditure or other financial liability or risk its own funds (including obtaining any advice which it might otherwise have thought appropriate to

obtain). The Trustee shall not be under any obligation to take proceedings or any other enforcement action or steps or any other action or steps under or pursuant to this Trust Deed unless it has been directed to do so by the Noteholders and it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

#### **12.2.6 Trustee's consent**

Any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require. In giving such consent or approval the Trustee may require the Issuer to agree to such modifications or additions to this Trust Deed as the Trustee may deem expedient in the interest of the Noteholders and the Couponholders. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in this Trust Deed) if it is satisfied that the interests of the Noteholders will not be materially prejudiced thereby. For the avoidance of doubt, the Trustee shall not have any duty to the Noteholders or the Couponholders in relation to such matters other than that which is contained in the preceding sentence.

#### **12.2.7 Conversion of currency**

Where it is necessary or desirable for any purpose in connection with this Trust Deed to convert any sum from one currency to another it shall (unless otherwise provided by this Trust Deed or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be specified by the Trustee in consultation with the Issuer to the extent reasonably practicable and any rate, method and date so specified shall be binding on the Issuer, the Noteholders and the Couponholders.

#### **12.2.8 Application of proceeds**

The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, the exchange of any Temporary Global Note for a Permanent Global Note, the exchange of any Permanent Global Note for Definitive Notes, the exchange of the Global Certificate for an Individual Certificate or the delivery of any Global Bearer Note, Global Certificate, Definitive Notes or Individual Certificates to the persons entitled to them.

#### **12.2.9 Agents**

The Trustee may, in the conduct of the trusts of this Trust Deed instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money).

#### **12.2.10 Delegation**

The Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of the trusts, powers, authorities and discretions

vested in it by this Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Noteholders. Notice of any such delegation shall be given to the Issuer as soon as reasonably practicable.

#### **12.2.11 Custodians and nominees**

The Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian this Trust Deed or any document relating to the trust created hereunder, provided that the Trustee shall have exercised reasonable skill and care in the appointment of any such custodian or nominee; the Trustee is not obliged to appoint a custodian if the Trustee invests in securities payable to bearer.

#### **12.2.12 Responsibility for Agents etc.**

If the Trustee exercises reasonable care in selecting any custodian, agent, delegate or nominee appointed under this Clause (an “**Appointee**”), it will not have any obligation to supervise the Appointee or any sub-delegate or be responsible for any loss, Liability, cost, claim, action, demand or expense incurred by reason of the Appointee’s misconduct or default or the misconduct or default of any substitute appointed by the Appointee.

#### **12.2.13 Illegality, Adequate Indemnity or Repayment**

Notwithstanding anything else contained in the Trust Deed, the Trustee shall be entitled to refrain from doing anything which may, in the opinion of the Trustee, (i) be illegal or contrary to any law of any state or jurisdiction (including but not limited to the European Union, the United States of America or any jurisdiction forming a part of it and England & Wales) or any, directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which would or might otherwise render it liable to any person and may do anything which in its opinion, is necessary to comply with any such law, directive or regulation or (ii) cause it to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties or in the exercise of any right, authority, power or discretion under this Trust Deed, or suffer any Liability whatsoever, if it shall have grounds for believing that repayment and/or prepayment of such funds or adequate indemnity and/or security against such Liability is not assured to it.

#### **12.2.14 Confidential information**

The Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder or Couponholder confidential information or other information made available to the Trustee by the Issuer in connection with this Trust Deed and no Noteholder or Couponholder shall be entitled to take any action to obtain from the Trustee any such information.

### **12.3 FSMA**

Notwithstanding anything in the Trust Deed or any other document to the contrary, the Trustee shall not do, or be authorised or required to do, anything which might constitute a regulated activity for the purposes of the FSMA unless it is authorised under FSMA to do so.



The Trustee shall have discretion at any time: (i) to delegate any of the functions which fall to be performed by an authorised person under FSMA to any other agent or person which also has the necessary authorisations and licenses; and (ii) to apply for authorisation under FSMA and perform any or all such functions itself if, in its absolute discretion, it considers it necessary, desirable or appropriate to do so. Nothing in this Trust Deed or any other document shall require the Trustee to assume an obligation of the Issuer arising under any provisions of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other competent authority besides the Financial Conduct Authority).

## **12.4 Financial matters**

### **12.4.1 Professional charges**

Any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person.

### **12.4.2 Expenditure by the Trustee**

Nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

### **12.4.3 Trustee may enter into financial transactions with the Issuer**

Neither the Trustee nor any director or officer of any corporation being a trustee hereof shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary of the Issuer, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or any Subsidiary of the Issuer or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary of the Issuer, and neither the Trustee nor any such director or officer shall be accountable to the Noteholders or the Issuer or any Subsidiary of the Issuer, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary of the Issuer, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit.

## **12.5 Disapplication**

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Trust Deed. Where there are any inconsistencies between the Trustee Acts and the provisions of this Trust Deed, the provisions of this Trust Deed shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee

Act 2000, the provisions of this Trust Deed shall constitute a restriction or exclusion for the purposes of that Act.

## **12.6 Trustee Liability**

Subject to Section 750 of the Companies Act 2006 (if applicable) and notwithstanding anything to the contrary in this Trust Deed, the Notes or the Agency Agreement, the Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed, the Notes, the Coupons or the Agency Agreement save in relation to its own gross negligence, wilful default or fraud.

Notwithstanding any provision of this Trust Deed to the contrary, the Trustee shall not in any event be liable for consequential loss (being loss of business, goodwill, opportunity or profit) or special punitive damages, whether or not foreseeable, even if the Trustee has been advised of the likelihood of such loss or damage and whether such loss or damage arises under contract, tort or otherwise.

## **13 Costs and Expenses**

**13.1 Normal Remuneration:** So long as any Note is outstanding, the Issuer will pay the Trustee as remuneration for its services as Trustee such sum on such dates in each case as they may from time to time agree. Such remuneration will accrue from day to day from the date of this Trust Deed. However, if any payment to a Noteholder of moneys due in respect of any Note is improperly withheld or refused, such remuneration will again accrue as from the date of such withholding or refusal until payment to such Noteholder is duly made.

**13.2 Extra Remuneration:** If an Event of Default or Potential Event of Default shall have occurred in respect of any Series, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee finds it expedient or necessary or is requested by the Issuer to undertake duties which they both agree to be of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Trust Deed, the Issuer will pay such additional remuneration as they may agree (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time) or, failing agreement as to any of the matters in this Clause (or as to such sums referred to in Clause 13.1), as determined by a financial institution or person (acting as an expert) selected by the Trustee and approved by the Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and such financial institution's or person's fee will be borne by the Issuer. The determination of such financial institution or person will be conclusive and binding on the Issuer, the Trustee, the Noteholders and the Couponholders.

### **13.3 Expenses**

The Issuer shall also pay or discharge all Liabilities incurred by the Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Trust Deed, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Trustee in connection with any action or legal proceedings taken or contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Trust Deed or any Series of Notes. Such costs, charges, liabilities and expenses will:

- (i) in the case of payments made by the Trustee before such demand, carry interest from the date of the demand at the rate of 1 per cent. per annum over the base rate of National Westminster Bank Plc or 1 per cent, whichever is higher on the date on which the Trustee made such payments; and
- (ii) in other cases carry interest at such rate from 30 days after the date of the demand or (where the demand specifies that payment is to be made on an earlier date) from such earlier date.

#### **13.4 Indemnity**

Without prejudice to the right of indemnity given by law to trustees, the Issuer shall indemnify the Trustee and every Appointee or other person appointed by the Trustee hereunder and keep it or him indemnified against all Liabilities to which it or he may become subject or which may be properly incurred by it or by any Appointee or other person appointed by it whom any trust, power, authority or discretion may be delegated by it in the execution or purported execution of or exercise of any of its or his duties, rights, trusts, powers, authorities or discretions under this Trust Deed, the Agency Agreement, the Notes or any related agreement or its or his functions under any such appointment or in respect of any matter or thing done or omitted in any way relating to this Trust Deed, the Agency Agreement or any other related agreement or the Notes or any such appointment. The Contracts (Rights of Third Parties) Act 1999 applies to this Clause 13.4. Clauses 13.3 and 13.4 will continue in full force and effect as regards the Trustee even if it no longer is Trustee and shall survive termination or expiry of this Trust Deed.

#### **13.5 Apportionment**

The Trustee shall be entitled in its absolute discretion to determine in respect of which Series of Notes any Liabilities incurred under this Trust Deed have been incurred or to allocate any such Liabilities between two or more Series of Notes.

#### **13.6 Payments not subordinated**

Payments under this Clause 13 are not subordinated to any senior obligation of the Issuer. Furthermore, nothing in the Conditions or this Trust Deed shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer.

#### **13.7 Stamp duties**

For each Series of Notes, the Issuer will pay all stamp duties, registration taxes, capital duties and other similar duties or taxes (if any) payable on (A) the constitution and issue of the Notes, (B) the initial delivery of the Notes, the Coupons and the Talons, (C) any action taken by the Trustee (or any Noteholder or Couponholder where permitted or required under this Trust Deed so to do) to enforce the provision of the Notes, the Coupons or this Trust Deed and (D) the execution of this Trust Deed. If the Trustee (or any Noteholder or Couponholder where permitted under this Trust Deed so to do) shall take any proceedings against the Issuer in any jurisdiction and if for the purpose of any such proceedings this Trust Deed or any Note or Coupon are taken into any such jurisdiction and any stamp duties or other duties or taxes become payable thereon in any such jurisdiction, the Issuer will pay (or reimburse the person making payment of) such stamp duties or other duties or taxes (including penalties). The Issuer will also indemnify the Trustee, on an after tax basis, from and against all stamp, issue, documentary or other taxes paid by it in any jurisdiction in

connection with any action taken by or on behalf of the Trustee to enforce the Issuer's obligations under this Trust Deed or the Notes.

### **13.8 Exchange rate indemnity**

#### **13.8.1 Currency of account and payment**

The Contractual Currency is the sole currency of account and payment for all sums payable by the Issuer under or in connection with this Trust Deed, the Notes and the Coupons including damages.

#### **13.8.2 Extent of discharge**

An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer or otherwise) by the Trustee or any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer will only discharge the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

#### **13.8.3 Indemnity**

If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed or the Notes or the Coupons, the Issuer will indemnify it against any Liability sustained by it as a result. In any event, the Issuer will indemnify the recipient against the cost of making any such purchase.

### **13.9 Indemnities separate**

The indemnities in this Trust Deed constitute separate and independent obligations from the other obligations in this Trust Deed (but without prejudice to the subordination provisions of Clause 5 (*Subordination*)), will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Trustee and/or any Noteholder and/or any Couponholder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed, the Notes or the Coupons or any other judgment or order. Any such Liability as referred to in Clause 134 (*Indemnity*) shall be deemed to constitute a Liability suffered by the Trustee or its Appointees, as the case may be, and no proof or evidence of any actual Liability shall be required by the Issuer or its liquidator or liquidators.

## **14 Appointment and Retirement**

### **14.1 Appointment of Trustees**

The power of appointing new trustees of this Trust Deed shall be vested in the Issuer but no person shall be appointed in relation to a Series of Notes previously issued and outstanding who shall not previously have been approved by an Extraordinary Resolution. A trust corporation may be appointed sole trustee hereof. Any appointment of a new trustee hereof shall as soon as practicable thereafter be notified by the Issuer to the Agents and the Noteholders in accordance with Condition 21 (*Notices*). The Noteholders shall together have the power, exercisable by Extraordinary Resolution, to remove any trustee or trustees for

the time being hereof. The removal of any trustee shall not become effective unless there remains a trustee hereof (being a trust corporation) in office after such removal.

#### **14.2 Co-trustees**

Notwithstanding the provisions of Clause 14.1 (*Appointment of Trustees*), the Trustee may, upon giving prior notice to the Issuer but without the consent of the Issuer or the Noteholders or the Couponholders, appoint any person established or resident in any jurisdiction (whether a trust corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee:

- 14.2.1 if the Trustee considers such appointment to be in the interests of the Noteholders or the Couponholders; or
- 14.2.2 for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed; or
- 14.2.3 for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction either of a judgment already obtained or of this Trust Deed.

Subject to the provisions of this Trust Deed, the Trustee may confer on any person so appointed such functions as it thinks fit. The Trustee may by written notice to the Issuer and that person remove that person. At the Trustee's request, the Issuer will forthwith do all things as may be required to perfect such appointment or removal and it irrevocably appoints the Trustee as its attorney in its name and on its behalf to do so.

#### **14.3 Attorneys**

The Issuer hereby irrevocably appoints the Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of this Trust Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Trustee by this Trust Deed) and such duties and obligations as shall be conferred on such person or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such reasonable remuneration as the Trustee may pay to any such person, together with any attributable costs, charges and expenses incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of this Trust Deed be treated as costs, charges and expenses incurred by the Trustee.

#### **14.4 Retirement of Trustees**

Any Trustee for the time being of this Trust Deed may retire at any time upon giving not less than 90 days' notice in writing to the Issuer without assigning any reason therefor and without being responsible for any costs occasioned by such retirement. The Noteholders may by Extraordinary Resolution remove any Trustee or Trustee for the time being by this Trust Deed. The retirement of any Trustee shall not become effective unless there remains a trustee hereof (being a trust corporation) in office after such retirement. The Issuer hereby covenants that in the event of the only trustee hereof which is a trust corporation giving notice under this Clause 14 or being removed by Extraordinary Resolution, it shall use its best endeavours to procure a new trustee, being a trust corporation, to be appointed and if the Issuer has not procured the appointment of a new trustee within the 90 day notice period referred to in this Clause 14.4, the Trustee shall be entitled to procure forthwith a new trustee.

#### **14.5 Competence of a majority of Trustees**

Whenever there shall be more than two trustees hereof the majority of such trustees shall (provided such majority includes a trust corporation) be competent to execute and exercise all the trusts, powers, authorities and discretions vested by this Trust Deed in the Trustee generally.

#### **14.6 Powers additional**

The powers conferred by this Trust Deed upon the Trustee shall be in addition to any powers which may from time to time be vested in it by general law or as the Holder of any of the Notes, Coupons or Talons (where applicable).

#### **14.7 Merger**

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Clause 14.7, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

### **15 Notices**

#### **15.1 Addresses for notices**

All notices and other communications hereunder shall be made in writing and in English (by letter or email) and shall be sent as follows and for the attention of the person or department therein specified (or as aforesaid) or, in any case, to such other address or email and for the attention of such other person or department as the addressee has by prior notice to the sender specified for the purpose:

**15.1.1** if to the Issuer, to it at:

Metro Bank PLC  
One Southampton Row  
London WC1B 5HA  
United Kingdom

Email: legal@metrobank.plc.uk  
Attention: General Counsel

**15.1.2** if to the Trustee, to it at:

The Law Debenture Trust Corporation p.l.c.  
Fifth Floor  
100 Wood Street  
London EC2V 7EX  
United Kingdom

Email: trust.support@lawdeb.com  
Attention: The Manager, Trust Management; Ref: 203083

#### **15.2 Effectiveness**

Every notice or other communication sent in accordance with Clause 15.1 (*Addresses for notices*) shall be effective when delivered; provided that any such notice or other

communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the addressee, or, in the case of an electronic communication to the Trustee, upon receipt of an email confirmation from the Trustee acknowledging its receipt of such communication (which, for the avoidance of doubt, shall not include any read receipts automatically generated by the Trustee), provided that the Trustee will use its reasonable endeavours to provide such email confirmation as soon as practicable following its receipt of the initial communication.

### **15.3 No Notice to Couponholders**

Neither the Trustee nor the Issuer shall be required to give any notice to the Couponholders for any purpose under this Trust Deed and the Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with Condition 21 (*Notices*).

## **16 Governing Law and Jurisdiction**

### **16.1 Governing law**

This Trust Deed and the Notes, and all non-contractual obligations arising from or connected with them are governed by and shall be construed in accordance with, English law.

**16.2 Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Trust Deed or the Notes and accordingly any legal action or proceedings arising out of or in connection with this Trust Deed or the Notes or in relation to any non-contractual obligations arising in relation thereto ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause 17 is for the benefit of each of the Trustee, the Noteholders and the Couponholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

### **17 Severability**

In case any provision in or obligation under this Trust Deed shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

### **18 Contracts (Rights of Third Parties) Act 1999**

Save as otherwise provided herein, no person shall have any right to enforce any provision of this Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

### **19 Counterparts**

This Trust Deed may be executed in any number of counterparts, each of which shall be deemed an original. If any provision in or obligation under this Trust Deed is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of

any other provision in or obligation under this Trust Deed, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Trust Deed.



**In witness Whereof** this Trust Deed has been executed as a deed and delivered on the date stated at the beginning.

**EXECUTED** as a deed by  
**METRO BANK PLC**

By: Craig Donaldson

Witnessed by: Polde Petek

Name: Polde Petek

Position: Associate (Solicitor)

Address: 1 Silk Street, London, EC2Y 8HQ

**EXECUTED** as a deed by  
**THE LAW DEBENTURE TRUST  
CORPORATION P.L.C.**  
Acting by an authorised attorney:

By: Darren Levene

By: Katy LeGros

Name: Darren Levene

Name: Katy LeGros

## Schedule 1

### Terms and Conditions of the Notes

This Note is one of a series (each a “**Series**”) issued pursuant to the £3,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Metro Bank PLC (the “**Issuer**”) on 17 September 2019. This Note is constituted by a Trust Deed dated 17 September 2019 (as amended, restated, modified and/or supplemented as at the Issue Date (as defined below) of the first Tranche (as defined below) of the Notes of the relevant Series, the “**Trust Deed**”) between the Issuer and The Law Debenture Trust Corporation p.l.c. (the “**Trustee**” which expression shall wherever the context so admits include its successors) and has the benefit of an Agency Agreement dated 17 September 2019 (as amended, restated, modified and/or supplemented as at the issue date of the first Tranche of Notes of the relevant Series, the “**Agency Agreement**”) made between, *inter alios*, the Issuer, the Trustee, Citibank, N.A., London Branch as initial principal paying agent and the other agents named therein. The principal paying agent, the paying agents, the registrar, the transfer agents and the calculation agent for the time being (if any) are referred to below, respectively, as the “**Principal Paying Agent**”, the “**Paying Agents**” (which expression shall include the Principal Paying Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent**”. The Trustee shall exercise the duties, powers, trusts, authorities and discretions vested in it by the Trust Deed separately in relation to each Series of Notes in accordance with the provisions of the Trust Deed. Copies of the Trust Deed and the Agency Agreement are available for inspection free of charge during normal business hours at the office for the time being of the Principal Paying Agent (being as at 17 September 2019, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom).

Holders of Notes (as defined below) and, in relation to any Series of Bearer Notes (as defined below), any coupons (“**Coupons**”) or talons for further Coupons (“**Talons**”) appertaining thereto are entitled to the benefit of, are bound by, and will be deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

The term “**Notes**” means debt instruments, by whatever name called, issued under the Programme. The Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”). All subsequent references in these Conditions to “**Notes**” are to the Notes which are the subject of the relevant Final Terms. Notes issued under the Programme are issued in Series and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of the relevant final terms (the “**Final Terms**”) which supplements these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail. Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions.

#### 1 Interpretation

(a) **Definitions:** In these Conditions the following expressions have the following meanings:

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Additional Amounts**” has the meaning given in Condition 13(a) (*Gross up*);

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Adjustment Spread**” has the meaning given in Condition 9(g) (*Definitions*);

“**Alternative Rate**” has the meaning given in Condition 9(g) (*Definitions*);

“**Authorised Signatories**” means any Director of the Issuer, any Authorised Person (as defined in the Trust Deed) or any other person or persons notified to the Trustee as being an Authorised Signatory in accordance with the Trust Deed;

“**Benchmark Amendments**” has the meaning given in Condition 9(d) (*Benchmark Amendments*);

“**Benchmark Event**” has the meaning given in Condition 9(g) (*Definitions*);

“**Benchmark Gilt Rate**” means in respect of a Reset Period and subject to Condition 5(e) (*Fallback – Benchmark Gilt Rate*), the gross redemption yield (as calculated by the Calculation Agent on the basis set out by the United Kingdom Debt Management Office in the paper “Formulae for Calculating Gilt Prices from Yields”, page 5, Section One: Price/Yield Formulae “Conventional Gilts”; Double dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date (published 8 June 1998, as amended or updated from time to time) or if such basis is no longer in customary market usage at such time, in accordance with generally accepted market practice at such time, on a semi-annual compounding basis of the Benchmark Gilt, with the price of the Benchmark Gilt for the purpose of determining the gross redemption yield being the arithmetic mean of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at 11.00 a.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. Such quotations shall be obtained by or on behalf of the Issuer and provided to the Calculation Agent. If at least four quotations are provided, the Benchmark Gilt Rate will be determined by reference to the arithmetic mean of the quotations provided, 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). If only two or three quotations are provided, the Benchmark Gilt Rate will be determined by reference to the arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be determined by reference to the rounded quotation provided, where:

“**Benchmark Gilt**” means, in respect of a Reset Period, such United Kingdom government security customarily used in the pricing of new issues with a similar tenor having a maturity date on or about the Subsequent Reset Date falling at the end of (but not included in) such Reset Period (if applicable) or (otherwise) the Maturity Date as the Calculation Agent (on the advice of the Reference Banks or, which failing, the advice of an independent investment bank or independent financial adviser of international repute) may determine to be appropriate following any guidance published by the International Capital Market Association at the relevant time (if any); and

“**dealing day**” means a day on which the Regulated Market (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities;

“**Broken Amount**” means, in respect of any Notes, the amount (if any) that is specified in the relevant Final Terms;

“**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 Centre; and
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, 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 Final Terms 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 Amount**” has the meaning given in the relevant Final Terms;

a “**Capital Disqualification Event**” is deemed to have occurred if there is a change (which has occurred or which the Competent Authority considers to be sufficiently certain) in the regulatory classification of the Tier 2 Capital Notes which becomes effective after the issue date of the last Tranche of the relevant Series of Tier 2 Capital Notes and that results, or would be likely to result, in some of or the entire principal amount of such Series of Tier 2 Capital Notes ceasing to be included in the Tier 2 Capital of the Issuer and/or (if the relevant Notes have previously been included in the Tier 2 Capital of the Group) the Group and, for the avoidance of doubt, any amortisation of the Tier 2 Capital Notes pursuant to Article 64 of the Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending Regulation (EU) No. 648/2012 (or any equivalent or successor provision) shall not comprise a Capital Disqualification Event;

“**CMS Rate**” means the Relevant Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) which appears on the

Relevant Screen Page as at (a) the Determination Time specified in the relevant Final Terms or (b) if no Determination Time is specified in the relevant Final Terms, 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question, all as determined by the Calculation Agent;

“**CMS Rate Fixing Centre**” has the meaning given in the relevant Final Terms;

“**CMS Rate Fixing Day**” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for business in each CMS Rate Fixing Centre specified in the relevant Final Terms;

“**Code**” has the meaning given in Condition 13(b) (*FATCA*);

“**Competent Authority**” means the Bank of England (i) acting as the Prudential Regulation Authority in the context of prudential matters or (ii) acting through its Resolution Directorate in the context of resolution matters or such other authority having primary supervisory authority with respect to prudential or resolution matters, as applicable, concerning the Issuer and/or the Group;

“**Compounded Daily SONIA**” has the meaning given in Condition 6(e) (*Screen Rate Determination – Floating Rate Notes Referencing SONIA*);

“**Coupon Sheet**” means, in respect of a Bearer Note, a coupon sheet relating to such Note;

“**Couponholders**” means the holders of the Coupons (whether or not attached to the relevant Notes);

“**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 these Conditions or the relevant Final Terms 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 (a) the actual number of days in such Regular Period and (b) the number of Regular Periods in any year; and
  - (B) where the Calculation Period is longer than one Regular Period, the sum of:
    - (1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (I) the actual number of days in such Regular Period and (II) the number of Regular Periods in any year; and
    - (2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (I) the actual number of days in such Regular Period and (II) 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 (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) 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 “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis is as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” 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<sub>1</sub>** is greater than 29, in which case **D<sub>2</sub>** will be 30;

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

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” 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<sub>2</sub>** will be 30;

- (vii) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis is as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (1) that day is the last day of February or (2) such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (1) that day is the last day of February but not the Maturity Date or (2) such number would be 31, in which case D<sub>2</sub> 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;

“**Designated Maturity**” shall have the meaning specified in the relevant Final Terms;

“**Early Redemption Amount (Tax)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**EEA Regulated Market**” means a market as defined by Article 4.1(21) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended or any equivalent or successor provision;

“**EURIBOR**” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Eurozone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor);

“**euro**” and “**€**” means the 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;

“**Existing Shareholders**” has the meaning ascribed to it in the definition of Newco Scheme;

“**Extraordinary Resolution**” has the meaning given in the Trust Deed;

“**FATCA Withholding**” has the meaning given in Condition 13(b) (*FATCA*);

“**Final Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**First Interest Payment Date**” means the date specified in the relevant Final Terms;

“**First Margin**” means the margin specified as such in the relevant Final Terms;

“**First Reset Date**” means the date specified in the relevant Final Terms;



“**First Reset Period**” means the period from (and including) the First Reset Date until (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the relevant Final Terms, the Maturity Date;

“**First Reset Rate of Interest**” means, in respect of the First Reset Period and subject to Condition 5(d) (*Fallback – Mid-Swap Rate*) and 5(e) (*Fallback – Benchmark Gilt Rate*) (as applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the First Margin (with such sum converted (if necessary) from a basis equivalent to the Fixed Leg Swap Payment Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent));

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms;

“**Fixed Leg Swap Payment Frequency**” has the meaning given in the relevant Final Terms;

“**Fixed Rate Note**” means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or dates in each year and on redemption or on such other dates as may be agreed between the Issuer and the relevant dealer(s) (as indicated in the relevant Final Terms);

“**Floating Rate Note**” means a Note on which interest is calculated at a floating rate payable at intervals of one, two, three, six or 12 months or at such other intervals as may be agreed between the Issuer and the relevant dealer(s) (as indicated in the relevant Final Terms);

“**Group**” means the Issuer and each entity (if any) which is part of the UK prudential consolidation group (as that term, or its successor, is used in the Regulatory Capital Requirements) of which the Issuer is part from time to time, if any;

“**Holder**”, in the case of Bearer Notes, has the meaning given in Condition 2(b) (*Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 2(d) (*Title to Registered Notes*);

“**Independent Adviser**” has the meaning given in Condition 9(g) (*Definitions*);

“**Initial Mid-Swap Rate**” has the meaning specified in the relevant Final Terms;

“**Initial Mid-Swap Rate Final Fallback**” has the meaning given in the relevant Final Terms;

“**Initial Rate of Interest**” has the meaning specified in the relevant Final Terms;

“**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 Final Terms;

“**Interest Determination Date**” shall mean:

- (i) if the Reference Rate is not CMS Rate, the date specified as such in the relevant Final Terms, or if none is so specified:
  - (A) if the Reference Rate is LIBOR, the second London business day prior to the start of each Interest Period; or
  - (B) if the Reference Rate is EURIBOR, the second day on which TARGET2 is open prior to the start of each Interest Period; or

- (C) if the Reference Rate is SONIA, the second London Banking Day prior to the last day of each Interest Period; or
- (ii) if the Reference Rate is CMS Rate, the date specified as such in the relevant Final Terms, provided that if any day specified as an Interest Determination Date in the relevant Final Terms is not a CMS Rate Fixing Day, the relevant Interest Determination Date shall be the immediately preceding CMS Rate Fixing Day;

**“Interest Payment Date”** means the First Interest Payment Date and any date or dates specified as such in the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (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 Final Terms 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 first Interest Payment Date or next Interest Payment Date (as the case may be);

**“ISDA Definitions”** means the 2006 ISDA Definitions (as amended and updated as at the issue date of the first Tranche of Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

**“Issue Date”** has the meaning given in the relevant Final Terms;

**“Last Observable Mid-Swap Rate Final Fallback”** has the meaning given in the relevant Final Terms;

**“LIBOR”** means, in respect of any specified currency and any specified period, the interest rate benchmark known as the London interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic LIBOR rates can be obtained from the designated distributor);

**“Loss Absorption Compliant Notes”** means securities issued directly by the Issuer that:

- (i) have terms not materially less favourable to an investor than the terms of the relevant Series of Senior Non-Preferred Notes (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer), and provided that a certification to such effect (including as to such consultation) of two Authorised Signatories shall have been delivered to the Trustee (upon which the Trustee shall be entitled to rely without further enquiry and without liability to any person) prior to the issue or, as appropriate, variation of the relevant securities), and, subject thereto, which (1) contain terms which comply with the then applicable Loss Absorption Regulations in order to be eligible to qualify in full towards the Issuer’s minimum requirements (on an individual or consolidated basis) for own funds and eligible liabilities and/or loss absorbing capacity instruments; (2) provide for the same Rate of Interest and Interest Payment Dates from time to time applying to the relevant Series of Senior Non-Preferred Notes; (3) rank *pari passu* with the

ranking of the relevant Series of Senior Non-Preferred Notes; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Series of Senior Non-Preferred Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) preserve any existing rights under these Conditions to any accrued interest or other amounts which have not been paid; (6) do not contain terms which provide for interest cancellation or deferral; and (7) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and

- (ii) are listed on (aa) the same stock exchange or market as the relevant Series of Senior Non-Preferred Notes, (bb) the official list of the UK Listing Authority and admitted to trading on the Regulated Market or (cc) any EEA Regulated Market as selected by the Issuer and approved by the Trustee, such approval not to be unreasonably withheld or delayed;

a “**Loss Absorption Disqualification Event**” shall be deemed to have occurred in respect of a Series of Senior Non-Preferred Notes if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective on or after the issue date of the last Tranche of such Series of Senior Non-Preferred Notes, either:

- (i) if “Loss Absorption Disqualification Event: Full Exclusion” is specified in the relevant Final Terms, the entire principal amount of such Series of Senior Non-Preferred Notes; or
- (ii) if “Loss Absorption Disqualification Event: Full or Partial Exclusion” is specified in the relevant Final Terms, the entire principal amount of such Series of Senior Non-Preferred Notes or any part thereof,

is or (in the opinion of the Issuer or the relevant Competent Authority) is likely to be excluded from the Issuer’s minimum requirements (whether on an individual or consolidated basis) for (aa) own funds and eligible liabilities and/or (bb) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer (whether on an individual or consolidated basis) and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur where the exclusion of the Senior Non-Preferred Notes from the relevant minimum requirement(s) is due to the remaining maturity of such Senior Non-Preferred Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer on the issue date of the last Tranche of the relevant Series of Senior Non-Preferred Notes;

“**Loss Absorption Regulations**” means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the United Kingdom (including, without limitation, any provisions of the Insolvency Act 1986, as amended from time to time), any relevant Competent Authority and/or of the European Parliament or of the Council of the European Union then in effect in the United Kingdom and applicable to the Issuer (whether on an individual or consolidated basis), including, without limitation to the generality of the foregoing, any applicable delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by any relevant Competent Authority from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer);

“**Margin**” has the meaning given in the relevant Final Terms;

“**Maturity Date**” has the meaning given in the relevant Final Terms;

“**Maximum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Mid-Market Swap Rate**” means, for any Reset Period, the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Payment Frequency during the relevant Reset Period (calculated on the day count basis then customary for fixed rate payments in the Specified Currency) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the relevant Final Terms) (calculated on the day count basis then customary for floating rate payments in the Specified Currency);

“**Mid-Market Swap Rate Quotation**” means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

“**Mid-Swap Floating Leg Benchmark Rate**” means EURIBOR if the Specified Currency is euro or LIBOR for the Specified Currency if the Specified Currency is not euro or the Reference Rate as specified in the relevant Final Terms;

“**Mid-Swap Maturity**” has the meaning given in the relevant Final Terms;

“**Mid-Swap Rate**” means, in relation to a Reset Determination Date and subject to Condition 5(d) (*Fallback – Mid-Swap Rate*), either:

- (i) if Single Mid-Swap Rate is specified in the relevant Final Terms, the rate for swaps in the Specified Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date,which appears on the Relevant Screen Page; or
- (ii) if Mean Mid-Swap Rate is specified in the relevant Final Terms, the arithmetic mean (expressed as a percentage rate per annum) of the bid and offered swap rate quotations for swaps in the Specified Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date,which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the Principal Financial Centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

“**Minimum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Newco**” has the meaning ascribed to it in the definition of Newco Scheme;

“**Newco Scheme**” means a scheme of arrangement or analogous proceeding (“**Scheme of Arrangement**”) which effects the interposition of a limited liability company (“**Newco**”) between the shareholders of the Issuer immediately prior to completion of the Scheme of Arrangement (the “**Existing Shareholders**”) and the Issuer; provided that (i) only ordinary shares or units or equivalent of Newco or

depository or other receipts or certificates representing ordinary shares or units or equivalent of Newco are issued to Existing Shareholders (other than a nominal holding by initial subscribers); (ii) immediately after completion of the Scheme of Arrangement the only holders of ordinary shares, units or equivalent of Newco or, as the case may be, the only holders of depository or other receipts or certificates representing ordinary shares or units or equivalent of Newco (other than a nominal holding by initial subscribers), are Existing Shareholders holding in the same proportions as immediately prior to completion of the Scheme of Arrangement; (iii) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly-owned subsidiaries of Newco are) the only shareholder of the Issuer; (iv) all subsidiaries of the Issuer immediately prior to the Scheme of Arrangement (other than Newco, if Newco is then a subsidiary of the Issuer) are subsidiaries of the Issuer (or of Newco) immediately after completion of the Scheme of Arrangement; and (v) immediately after completion of the Scheme of Arrangement the Issuer (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and equity share capital of those subsidiaries as was held by the Issuer immediately prior to the Scheme of Arrangement;

“**Noteholder**”, in the case of Bearer Notes, has the meaning given in Condition 2(b) (*Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 2(d) (*Title to Registered Notes*);

“**Optional Redemption Amount (Call)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Amount (Capital Disqualification Event)**” means, in respect of any Tier 2 Capital Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Amount (Loss Absorption Disqualification Event)**” means, in respect of any Senior Non-Preferred Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Amount (Put)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Date (Call)**” has the meaning given in the relevant Final Terms;

“**Optional Redemption Date (Put)**” has the meaning given in the relevant Final Terms;

“**Order**” means The Banks and Building Societies (Priorities on Insolvency) Order 2018, as the same may be amended, supplemented or replaced from time to time;

“**Original Reference Rate**” has the meaning given in Condition 9(g) (*Definitions*);

“**Payment Business Day**” means:

- (i) if the currency of payment is euro, any day (other than a Saturday, Sunday or public holiday) which is:
  - (A) a day on which (1) banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies or (2) commercial banks are open for general business (including dealings in foreign currencies) in the city where the Principal Paying Agent has its Specified Office; 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 Centre; or

- (ii) if the currency of payment is not euro, any day (other than a Saturday, Sunday or public holiday) which is:
  - (A) a day on which (1) banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies or (2) commercial banks are open for general business (including dealings in foreign currencies) in the city where the Principal Paying Agent has its Specified Office; 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 Centre of the currency of payment and in each (if any) Additional Financial Centre;

“**person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Principal Financial Centre**” means, in relation to any currency, the principal financial centre for that currency provided, however, that:

- (i) in relation to euro, it means the principal financial centre of such Member State of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Issuer;
- (ii) in relation to Australian dollars, it means Sydney; and
- (iii) 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 Issuer;

“**Proceedings**” has the meaning given in Condition 24(b) (*Jurisdiction*);

“**Put Option Notice**” means a notice which must be delivered to a Paying Agent or the Registrar, as the case may be, by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“**Put Option Receipt**” means a receipt issued by a 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;

“**Qualifying Tier 2 Securities**” means securities issued directly by the Issuer that:

- (i) have terms not materially less favourable to an investor than the terms of the relevant Series of Tier 2 Capital Notes (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer), and provided that a certification to such effect (including as to such consultation) of two Authorised Signatories shall have been delivered to the Trustee (upon which the Trustee shall be entitled to rely without further enquiry and without liability to any person) prior to the issue or, as appropriate, variation of the relevant securities), and, subject thereto, which (1) contain terms which comply with the then current requirements of the Competent Authority in relation to Tier 2 Capital; (2) provide for the same Rate of Interest and Interest Payment Dates from time to time applying to the relevant Series of Tier 2 Capital Notes; (3) rank *pari passu* with the ranking of the relevant Series of Tier 2 Capital Notes; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Series of Tier 2 Capital Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) preserve any existing rights under these Conditions to any accrued interest or other amounts which have not been paid; (6) do not contain terms which provide for interest

cancellation or deferral; and (7) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and

- (ii) are listed on (aa) the same stock exchange or market as the relevant Series of Tier 2 Capital Notes, (bb) the official list of the UK Listing Authority and admitted to trading on the Regulated Market or (cc) any other EEA Regulated Market as selected by the Issuer and approved by the Trustee, such approval not to be unreasonably withheld or delayed;

**“Ranking Legislation”** means the Order and any law or regulation applicable to the Issuer which is amended by the Order;

**“Rate of Interest”** means (i) in the case of Notes other than Reset Notes, the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms; and (ii) in the case of Reset Notes, the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

**“Rating Agency”** means any of S&P Global Ratings Europe Limited, Moody’s Investors Service Limited and Fitch Ratings Ltd. and each of their respective affiliates or successors;

**“Redemption Amount”** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Loss Absorption Disqualification Event), the Optional Redemption Amount (Put), the Optional Redemption Amount (Capital Disqualification Event) or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

**“Reference Banks”** (i) in the case of Notes other than Reset Notes and Floating Rate Notes where the Reference Rate is CMS Rate, has the meaning given in the relevant Final Terms or, if none, five major banks selected by the Issuer in the market that is most closely connected with the Reference Rate; (ii) in the case of Floating Rate Notes where the Reference Rate is CMS Rate, (A) where the Reference Currency is euro, the principal office of five leading swap dealers in the Eurozone inter-bank market, (B) where the Reference Currency is pounds sterling, the principal London office of five leading swap dealers in the London inter-bank market, (C) where the Reference Currency is U.S. dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (D) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case as selected by the Issuer; and (iii) in the case of Reset Notes, has the meaning given in the relevant Final Terms or, if none (1) in the case of the calculation of a Mid-Market Swap Rate, five major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer or (2) in the case of the calculation of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers as selected by the Issuer;

**“Regulated Market”** means the regulated market of the London Stock Exchange plc;

**“Reference Currency”** has the meaning given in the relevant Final Terms;

**“Reference Price”** has the meaning given in the relevant Final Terms;

**“Reference Rate”** shall mean (i) LIBOR for the relevant currency specified in the relevant Final Terms, (ii) EURIBOR or (iii) SONIA, in the case of (i) and (ii) for the relevant period as specified in the relevant Final Terms;

**“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;

**“Regulatory Capital Requirements”** means, at any time, any requirement contained in the laws, regulations, requirements, guidelines and policies of the Competent Authority, the United Kingdom or of the European Parliament and Council then in effect in the United Kingdom relating to capital adequacy and applicable to the Issuer and/or the Group;

**“Relevant Date”** means (i) in respect of any payment other than a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Holders that, upon further surrender of the Certificate or Bearer Note representing such Note being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such surrender, and (ii) in respect of a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date which is one day prior to the date on which an order is made or a resolution is passed for the winding-up or, in the case of an administration, one day prior to the date on which any dividend is distributed;

**“Relevant Financial Centre”** has the meaning given in the relevant Final Terms;

**“Relevant Jurisdiction”** means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal, premium (if any) and/or interest on the Notes;

**“Relevant Nominating Body”** has the meaning given in Condition 9(g) (*Definitions*);

**“Relevant 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, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, 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 Swap Rate”** means:

- (i) where the Reference Currency is euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360



day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity of six months;

- (ii) where the Reference Currency is pounds sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating pounds sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;
- (iii) where the Reference Currency is U.S. dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and
- (iv) where the Reference Currency is any other currency, the mid-market swap rate as determined by the Calculation Agent on a commercial basis as it shall consider appropriate and in accordance with standard market practice;

**“Relevant Time”** has the meaning given in the relevant Final Terms;

**“Representative Amount”** means an amount that is representative for a single transaction in the relevant market at the relevant time;

**“Reset Date”** means the First Reset Date and each Subsequent Reset Date (as applicable);

**“Reset Determination Date”** means, unless otherwise specified in the relevant Final Terms, the second Business Day prior to each relevant Reset Date;

**“Reset Maturity Initial Mid-Swap Rate Final Fallback”** has the meaning given in the relevant Final Terms;

**“Reset Note”** means a Note which bears interest at a rate of interest which is recalculated at specified intervals;

**“Reset Period”** means the First Reset Period or a Subsequent Reset Period, as the case may be;

**“Reset Period Maturity Initial Mid-Swap Rate”** has the meaning given in the relevant Final Terms;

**“Reset Rate”** means (i) if “Mid-Swap Rate” is specified in the relevant Final Terms, the relevant Mid-Swap Rate or (ii) if “Benchmark Gilt Rate” is specified in the relevant Final Terms, the relevant Benchmark Gilt Rate;

**“Scheme of Arrangement”** has the meaning ascribed to it in the definition of Newco Scheme;

“**Senior Claims**” means the aggregate amount of all claims admitted in a Winding-Up of the Issuer in respect of creditors of the Issuer (a) who are unsubordinated creditors of the Issuer including, for the avoidance of doubt, holders of Senior Preferred Notes and holders of Senior Non-Preferred Notes; and (b) whose claims are or are expressed to be subordinated to the claims of other creditors of the Issuer (other than those whose claims are in respect of obligations which constitute, or would but for any applicable limitation on the amount of such capital, constitute, Tier 1 Capital or Tier 2 Capital or whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of Holders in respect of the Tier 2 Capital Notes or related Coupons);

“**Senior Non-Preferred Claims**” means the aggregate amount of all claims admitted in a Winding-Up of the Issuer which are claims of creditors in respect of obligations which are secondary non-preferential debt under the Order (including, without limitation, Senior Non-Preferred Notes and claims in respect of the Senior Non-Preferred Notes);

“**Specified Currency**” has the meaning given in the relevant Final Terms;

“**Specified Denomination(s)**” has the meaning given in the relevant Final Terms;

“**Specified Office**” has the meaning given in the Agency Agreement;

“**Specified Period**” has the meaning given in the relevant Final Terms; “**Subsequent Margin**” means the margin(s) specified as such in the relevant Final Terms;

“**Subsequent Reset Date**” means the date or dates specified in the relevant Final Terms;

“**Subsequent Reset Period**” means the period from (and including) the first Subsequent Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date;

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and subject to Condition 5(d) (*Fallback – Mid-Swap Rate*) and 5(e) (*Fallback – Benchmark Gilt Rate*) (as applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the relevant Subsequent Margin (with such sum converted (if necessary) from a basis equivalent to the Fixed Leg Swap Payment Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the relevant Subsequent Reset Period (such calculation to be made by the Calculation Agent));

“**Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback**” has the meaning given in the relevant Final Terms;

“**Subsequent Reset Rate Mid-Swap Rate Final Fallback**” has the meaning given in the relevant Final Terms;

“**Substitute Obligor**” has the meaning given in Condition 18(c) (*Substitution*);

“**Successor Rate**” has the meaning given in Condition 9(g) (*Definitions*);

“**Supervisory Permission**” means, in relation to any action, such supervisory permission (or, as appropriate, waiver) as is required therefor under prevailing Regulatory Capital Requirements (if any) and/or (in the case of Senior Non-Preferred Notes) the Loss Absorption Regulations (if any);

“**Talon**” means a talon for further Coupons;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;

“**Tax Event**” is deemed to have occurred if, as a result of a Tax Law Change:

- (i) in making any payments on the Notes, the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts; or
- (ii) the Issuer is no longer, or will no longer be, entitled to claim a deduction in respect of any payments in respect of the Notes in computing its taxation liabilities or the amount of such deduction is reduced; or
- (iii) the Notes are, or will be, prevented from being treated as loan relationships for United Kingdom tax purposes; or
- (iv) the Issuer is not, or will not be, able to have losses or deductions set against the profits or gains, or profits or gains offset by the losses or deductions, of companies with which it is or would otherwise be so grouped for applicable United Kingdom tax purposes (whether under the group relief system current as at the issue date of the last Tranche of the relevant Series of the Notes or any similar system or systems having like effect as may from time to time exist); or
- (v) the Notes or any part thereof are, or will be, treated as a derivative or an embedded derivative for United Kingdom tax purposes,

and, in any such case, the Issuer could not avoid the foregoing by taking measures reasonably available to it;

“**Tax Law Change**” means a change in or proposed change in, or amendment or proposed amendment to, the laws or regulations of a Relevant Jurisdiction, including any treaty to which such Relevant Jurisdiction is a party, or any change in the application of official or generally published interpretation of such laws, including a decision of any court or tribunal, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position in relation to similar transactions or which differs from any specific written statements made by a tax authority regarding the anticipated tax treatment of the Notes, which change or amendment (x) (subject to (y)) becomes, or would become, effective on or after the issue date of the last Tranche of Notes of the relevant Series, or (y) in the case of a change or proposed change in law, if such change is enacted (or, in the case of a proposed change, is expected to be enacted), on or after the issue date of the last Tranche of Notes of the relevant Series;

“**Tier 1 Capital**” has the meaning given to it from time to time by the Competent Authority or the applicable prudential rules;

“**Tier 2 Capital**” has the meaning given to it from time to time by the Competent Authority or the applicable prudential rules;

“**Winding-Up**” means if:

- (i) an order is made, or an effective resolution is passed, for the winding-up of the Issuer (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation, the terms of which reorganisation, reconstruction or amalgamation have previously been approved in writing by the Trustee or an Extraordinary Resolution and do not provide that the Notes thereby become redeemable or repayable in accordance with these Conditions);

- (ii) following the appointment of an administrator of the Issuer, an administrator gives notice that it intends to declare and distribute a dividend; or
- (iii) liquidation or dissolution of the Issuer or any procedure similar to that described in paragraph (i) or (ii) of this definition is commenced in respect of the Issuer, including any bank insolvency procedure or bank administration procedure pursuant to the Banking Act 2009; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

(a) **Interpretation:** In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the 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 Final Terms 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, (in the case of Senior Preferred Notes and Senior Non-Preferred Notes unless the relevant Final Terms expressly specifies “Senior Non-Preferred Notes: Gross-up of principal” as “Not Applicable” only) any Additional Amounts in respect of principal which may be payable under Condition 13 (*Taxation*) or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed or any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any Additional Amounts in respect of interest which may be payable under Condition 13 (*Taxation*) and any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed or any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being “outstanding” shall be construed in accordance with the Trust Deed; and
- (vii) if an expression is stated in Condition 1(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “Not Applicable” then such expression is not applicable to the Notes.

## 2 Form, Denomination, Title and Transfer

(a) **Bearer Notes**

Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. 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.

(b) **Title to Bearer Notes**

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.

(c) **Registered Notes**

Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms.

(d) ***Title to Registered Notes***

The Registrar will maintain the register in accordance with the provisions of the Agency Agreement. A certificate (each, a “**Certificate**”) will be issued to each Holder of Registered Notes in respect of its registered holding. Each Certificate will be numbered serially with an identifying number which will be recorded in the 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 Register (or, in the case of a joint holding, the first named thereof) and “**Noteholder**” shall be construed accordingly.

(e) ***Ownership***

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 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.

(f) ***Transfers of Registered Notes***

Subject to Conditions 2(j) (*Closed periods*) and 2(k) (*Regulations concerning transfers and registration*), a Registered Note may be transferred in whole or in part upon the surrender of the relevant Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such 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 Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Registered Notes will be issued to the transferor and in any case a further new Certificate will be issued to the transferee in respect of the part transferred.

(g) ***Exercise of Options or Partial Redemption in Respect of Registered Notes***

In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(h) ***Registration and delivery of Certificates***

Within three business days of the surrender of a Certificate in accordance with Condition 2(f) (*Transfers of Registered Notes*), the Registrar will register the transfer in question and deliver a new Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office

or (as the case may be) the Specified Office of any 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 this Condition 2(h) (*Registration and delivery of Certificates*), “**business day**” means a day on which commercial banks and foreign exchange markets settle payments generally in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(i) ***No charge***

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

(j) ***Closed periods***

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Note, (ii) during the period of 15 days prior to (and including) any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(d) (*Redemption for Capital Disqualification Event*) or 10(e) (*Redemption for Loss Absorption Disqualification Event*), (iii) after the Notes have been called for redemption, or (iv) during the period of seven days ending on (and including) any Record Date.

(k) ***Regulations concerning transfers and registration***

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

(l) ***No exchange***

Registered Notes may not be exchanged for Bearer Notes and Bearer Notes may not be exchanged for Registered Notes.

### **3 Status**

The Notes are either senior preferred Notes (“**Senior Preferred Notes**”), senior non-preferred Notes (“**Senior Non-Preferred Notes**”) or tier 2 capital Notes (“**Tier 2 Capital Notes**”), as specified in the relevant Final Terms.

(a) ***Senior Preferred Notes***

The Senior Preferred Notes (and the Coupons relating thereto, if any) constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and constitute ordinary non-preferential debt for the purposes of the Ranking Legislation. The Senior Preferred Notes and any Coupons relating thereto rank *pari passu* without any preference among themselves.

The Issuer and, by virtue of its holding of any Senior Preferred Note or any beneficial interest therein, each Holder of a Senior Preferred Note and each Holder of a Coupon relating to a Senior Preferred Note acknowledge and agree that the Senior Preferred Notes and any such Coupons rank *pari passu* with all other outstanding unsecured and unsubordinated deposits with, and loans to, the Issuer, present or future

(other than Senior Non-Preferred Notes and other obligations which rank or are expressed to rank junior to the Senior Preferred Notes and other than such deposits, loans or other obligations which are given priority pursuant to applicable statutory provisions), save only where the Ranking Legislation provides otherwise for ordinary non-preferential debt generally, in which case the Senior Preferred Notes and such Coupons will rank as provided in the Ranking Legislation for ordinary non-preferential debt generally.

**(b) Senior Non-Preferred Notes**

The Senior Non-Preferred Notes (and the Coupons relating thereto, if any) constitute direct and unsecured obligations of the Issuer and constitute secondary non-preferential debt for the purposes of the Ranking Legislation. Subject to the Ranking Legislation, the Senior Non-Preferred Notes and any Coupons relating thereto rank junior to the Senior Preferred Notes and any Coupons relating thereto. The Senior Non-Preferred Notes rank *pari passu* without any preference among themselves.

The Issuer and, by virtue of its holding of any Senior Non-Preferred Note or any beneficial interest therein, each Holder of a Senior Non-Preferred Note and each Holder of a Coupon relating to a Senior Non-Preferred Note acknowledge and agree that if a Winding-Up of the Issuer occurs, the rights and claims of the Holders and the Couponholders (and the Trustee on their behalf) against the Issuer in respect of, or arising under, each Senior Non-Preferred Note (and the Coupons relating thereto, if any) shall be for (in lieu of any other payment by the Issuer) an amount equal to the principal amount of the relevant Senior Non-Preferred Note or any related Coupon, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Senior Non-Preferred Note or any related Coupon, including any accrued and unpaid interest thereon and any damages awarded for breach of any obligations in respect of such Senior Non-Preferred Note or any related Coupon, provided however that such rights and claims shall rank:

- (i) junior in right of payment in the manner provided in the Trust Deed to all claims in respect of Senior Preferred Notes and ordinary non-preferential debt (as defined in the Ranking Legislation) of the Issuer and any other creditors of the Issuer which are given priority pursuant to applicable statutory provisions;
- (ii) *pari passu* with all other Senior Non-Preferred Claims; and
- (iii) in priority to all claims in respect of tertiary non-preferential debts (as defined in the Ranking Legislation) (including any Tier 2 Capital Notes),

save only where the Ranking Legislation provides otherwise for claims in respect of secondary non-preferential debt generally, in which case such claims will rank as the Ranking Legislation provides for claims in respect of secondary non-preferential debt generally (whether or not the Senior Non-Preferred Notes and any Coupons relating to them then constitute secondary non-preferential debt of the Issuer for the purposes of the Ranking Legislation).

**(c) Tier 2 Capital Notes**

The Tier 2 Capital Notes (and the Coupons relating thereto, if any) constitute direct and unsecured obligations of the Issuer and constitute tertiary non-preferential debt for the purposes of the Ranking Legislation. Subject to the Ranking Legislation, the Tier 2 Capital Notes and any Coupons relating thereto rank junior to the Senior Preferred Notes and the Senior Non-Preferred Notes and in each case any Coupons relating thereto. The Tier 2 Capital Notes rank *pari passu* without any preference among themselves.

The Issuer and, by virtue of its holding of any Tier 2 Capital Note or any beneficial interest therein, each Holder of a Tier 2 Capital Note and each Holder of a Coupon relating to a Tier 2 Capital Note acknowledge and agree that if a Winding-Up of the Issuer occurs, the rights and claims of the Holders and the Couponholders (and the Trustee on their behalf) against the Issuer in respect of, or arising under, each Tier 2 Capital Note (and the Coupons relating thereto, if any) shall be for (in lieu of any other payment by the Issuer) an amount equal to the principal amount of the relevant Tier 2 Capital Note or any related Coupon, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Tier 2 Capital Note or any related Coupon, including any accrued and unpaid interest thereon and any damages awarded for breach of any obligations in respect of such Tier 2 Capital Note or any related Coupon, provided however that such rights and claims shall be subordinated as provided in this Condition 3(c) (*Tier 2 Capital Notes*) and in the Trust Deed to all Senior Claims but shall rank:

- (i) at least *pari passu* with the claims of holders of all other subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital and all obligations of the Issuer which rank, or are expressed to rank, *pari passu* therewith; and
- (ii) in priority to the claims of holders of all undated or perpetual subordinated obligations of the Issuer and any other obligations of the Issuer which rank or are expressed to rank junior to the Notes and to the claims of holders of all classes of share capital of the Issuer.

(d) **No set-off**

The provisions of this Condition 3(d) (*No set-off*) shall have effect in relation to (i) any Series of Senior Non-Preferred Notes where the relevant Final Terms specify that Condition 3(d) (*No set-off*) applies and (ii) each Series of Tier 2 Capital Notes.

Subject to applicable law, no Holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with any Notes, any related Coupons or the Trust Deed and each Holder shall, by virtue of his holding of any Note or Coupon, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under or in connection with any Notes or any related Coupons is discharged by set-off, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer (as the case may be)) and accordingly any such discharge shall be deemed not to have taken place.

(e) **Trustee Expenses**

Nothing in this Condition 3 (*Status*) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

#### 4 **Fixed Rate Note Provisions**

(a) ***Application***



This Condition 4 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Accrual of interest***

The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*) (as applicable). Each Note will cease to bear interest from (and including) the due date for 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 with this Condition 4 (*Fixed Rate Note Provisions*) (as well after as before judgment) up to (but excluding) the Relevant Date.

(c) ***Fixed Coupon Amount***

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount 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 Final Terms, amount to the Broken Amount so specified.

(d) ***Calculation of interest amount***

The amount of interest payable in respect of each 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.

## **5 Reset Note Provisions**

(a) ***Application***

This Condition 5 (*Reset Note Provisions*) is applicable to the Notes only if the Reset Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Accrual of interest***

The Notes bear interest:

- (i) from (and including) the Interest Commencement Date specified in the relevant Final Terms to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;
- (ii) from (and including) the First Reset Date to (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the relevant Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and
- (iii) for each Subsequent Reset Period thereafter (if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*) (as applicable). Each Note will cease

to bear interest from (and including) the due date for 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 with this Condition 5 (*Reset Note Provisions*) (as well after as before judgment) up to (but excluding) the Relevant Date.

(c) ***Rate of Interest***

The Rate of Interest applicable for each Reset Period shall, subject to Condition 9 (*Benchmark Discontinuation*), be determined by the Calculation Agent at or as soon as practicable after each time at which the Rate of Interest is to be determined on each Reset Determination Date. The Interest Amount payable on the Notes shall be calculated in accordance with the provisions for calculating amounts of interest in Condition 4 (*Fixed Rate Note Provisions*) and, for such purposes, Condition 4 (*Fixed Rate Note Provisions*) shall be construed accordingly.

(d) ***Fallback – Mid-Swap Rate***

Where the Reset Rate is specified as “Mid-Swap Rate” in the relevant Final Terms and if on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the Principal Financial Centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations on the Reset Determination Date, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable) (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes (such calculation to be made by the Calculation Agent).

If only one of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation on the Reset Determination Date, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the Reset Period shall be the sum of such Mid-Market Swap Rate Quotation and the First Margin or Subsequent Margin (as applicable) (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes (such calculation to be made by the Calculation Agent).

If on any Reset Determination Date none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 5(d) (*Fallback – Mid-Swap Rate*):

- (i) in the case of the first Reset Determination Date only, the First Reset Rate of Interest shall be equal to the sum of:
  - (A) if Initial Mid-Swap Rate Final Fallback is specified in the relevant Final Terms as being applicable, (aa) the Initial Mid-Swap Rate and (bb) the First Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes (such calculation to be made by the Calculation Agent);
  - (B) if Reset Maturity Initial Mid-Swap Rate Final Fallback is specified in the relevant Final Terms as being applicable, (aa) the Reset Period Maturity Initial Mid-Swap Rate and (bb) the First Margin (with such sum converted (if necessary) to a basis equivalent to the

frequency with which scheduled interest payments are payable on the relevant Notes (such calculation to be made by the Calculation Agent); or

- (C) if Last Observable Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (aa) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (bb) the First Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes (such calculation to be made by the Calculation Agent),

provided that (in the case of an issue of Senior Non-Preferred Notes or Tier 2 Capital Notes) if the application of (i)(B) or (i)(C) could, in the determination of the Issuer, reasonably be expected to prejudice the qualification of the relevant Series of Tier 2 Capital Notes as Tier 2 Capital or the relevant Series of Senior Non-Preferred Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of the Loss Absorption Regulations, then (i)(A) above will apply; or

- (ii) in the case of any Reset Determination Date other than the first Reset Determination Date, the Subsequent Reset Rate of Interest shall be equal to the sum of:

- (A) if Subsequent Reset Rate Mid-Swap Rate Final Fallback is specified in the relevant Final Terms as being applicable, (aa) the Mid-Swap Rate determined on the last preceding Reset Determination Date and (bb) the Subsequent Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes (such calculation to be made by the Calculation Agent); or

- (B) if Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback is specified in the relevant Final Terms as being applicable, (aa) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (bb) the Subsequent Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes (such calculation to be made by the Calculation Agent),

provided that (in the case of an issue of Senior Non-Preferred Notes or Tier 2 Capital Notes) if the application of this paragraph (ii)(B), in the determination of the Issuer, could reasonably be expected to prejudice the qualification of the relevant Series of Tier 2 Capital Notes as Tier 2 Capital or the relevant Series of Senior Non-Preferred Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of the Loss Absorption Regulations, then (ii)(A) above will apply,

all as determined by the Calculation Agent in accordance with the provisions set out above.

(e) ***Fallback – Benchmark Gilt Rate***

Where the Reset Rate is specified as “Benchmark Gilt Rate” in the relevant Final Terms and where no quotations with respect to the Benchmark Gilt are provided by the relevant Reference Banks, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

(f) ***Publication***

The Calculation Agent will cause each Rate of Interest determined by it and any other amount(s) required to be determined by it together with the relevant payment date(s), to be notified to the Issuer, the Paying

Agents and the Trustee as soon as possible after such determination but in any event not later than the fourth Business Day thereafter and the Issuer shall thereafter notify, as soon as possible, each competent authority and/or stock exchange by which the Notes have then been admitted to listing and/or trading and, in accordance with Condition 21 (*Notices*), the Holders.

(g) ***Notifications etc.***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Reset Note Provisions*) by the Calculation Agent, shall (in the absence of manifest error) be binding on the Issuer, the Calculation Agent, the Trustee, the Paying Agents, the Registrar, the Transfer Agents and all Holders and (in the absence of wilful default or gross negligence) no liability to the Holders, Couponholders or the Issuer shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

## **6 Floating Rate Note Provisions**

(a) ***Application***

This Condition 6 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Accrual of interest***

The Notes bear interest from (and including), the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*) (as applicable). Each Note will cease to bear interest from (and including) the due date for 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 with this Condition 6 (*Floating Rate Note Provisions*) (as well after as before judgment) up to (but excluding) the Relevant Date.

(c) ***Screen Rate Determination – Floating Rate Notes other than CMS-Linked Notes and Floating Rate Notes referencing SONIA***

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and the relevant Final Terms do not specify that the Reference Rate is the CMS Reference Rate or SONIA, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent, subject to Condition 9 (*Benchmark Discontinuation*), on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the 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) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
  - (A) one rate shall be determined as if the period of time designated in the Reference Rate were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

- (B) the other rate shall be determined as if the period of time designated in the Reference Rate were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the period of time designated in the Reference Rate, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate;

- (iii) in any other case, the 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;
- (iv) if, in the case of (i) above, such rate does not appear on that page or, in the case of (iii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will in consultation with the Issuer:
  - (A) request each of the Reference Banks to provide to the Calculation Agent a quotation of the Reference Rate as at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (B) determine the arithmetic mean of such quotations; and
- (v) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Issuer, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

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 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 or, in the absence of a preceding Interest Period, the Rate of Interest applicable to the Notes during such Interest Period shall be the Initial Rate of Interest.

(d) ***Screen Rate Determination – Floating Rate Notes which are CMS-Linked Notes***

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and the relevant Final Terms specify that the Reference Rate is the CMS Reference Rate, the Rate of Interest applicable to the Notes for each Interest Period will be the CMS Rate plus or minus (as indicated in the relevant Final Terms) the Margin, as determined, subject to Condition 9 (*Benchmark Discontinuation*) by the Calculation Agent.

If the Relevant Screen Page is not available, the Calculation Agent shall request each of the Reference Banks to provide it with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) as at approximately (i) the Determination Time specified in the relevant Final Terms or (ii) if no

Determination Time is specified in the relevant Final Terms, 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent such quotations as aforesaid, the CMS Rate for such Interest Period shall 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).

If on any Interest Determination Date at the Determination Time or 11.00 a.m. (Relevant Financial Centre time) (as applicable) one only or none of the Reference Banks provides the Calculation Agent with such quotations as aforesaid, the CMS Rate shall be determined by the Issuer, after consultation with an Independent Adviser, on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

(e) **Screen Rate Determination – Floating Rate Notes Referencing SONIA**

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and the relevant Final Terms specify that the Reference Rate is SONIA, the Rate of Interest for each Interest Period will, subject to Condition 9 (*Benchmark Discontinuation*) and as provided below, be Compounded Daily SONIA plus or minus (as indicated in the relevant Final Terms) the applicable Margin.

“**Compounded Daily SONIA**” means with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) as at the relevant Interest Determination Date, as follows:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d<sub>0</sub>**” is the number of London Banking Days in the relevant Interest Period;

“**i**” is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period to, and including, the last London Banking Day in the relevant Interest Period;

“**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;

“**n<sub>i</sub>**”, for any London Banking Day “**i**”, means 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 the period from and including the date falling “p” London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, 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 become due and payable);

“**p**” means for any Interest Period, the number of London Banking Days by which the corresponding Observation Period precedes such Interest Period, as specified in the relevant Final Terms (or, if no such number is specified, five London Banking Days);

the “**SONIA reference rate**”, in respect of any London Banking Day, is 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 authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Banking Day immediately following such London Banking Day); and

“**SONIA<sub>i-PLBD</sub>**” means, in respect of any London Banking Day “i”, the SONIA reference rate for the London Banking Day falling "p" London Banking Days prior to such London Banking Day “i”.

If, in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) determines that the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be: (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5.00p.m. (or, if earlier, close of business) on the relevant London Banking Day; plus (ii) 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).

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest specified in the relevant Final Terms 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 or Maximum Rate of Interest or Minimum Rate of Interest 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 (but 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 Condition 14 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, 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 Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(f) ***ISDA Determination***

If ISDA Determination is specified in the relevant Final Terms 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 that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option is as specified in the relevant Final Terms;
- (ii) the Designated Maturity is a period specified in the relevant Final Terms;
- (iii) the relevant Reset Date is either (A) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms; and
- (iv) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:
  - (A) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
  - (B) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

The expressions “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” in this Condition 6(f) (*ISDA Determination*) have the respective meanings given to them in the ISDA Definitions.

(g) ***Maximum or Minimum Rate of Interest***

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified. Unless otherwise specified in the relevant Final Terms, the Minimum Rate of Interest shall be zero.

(h) ***Calculation of Interest Amount***

The 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 Note for such Interest Period. 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.

(i) ***Publication***



The 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 Issuer, the Paying Agents and the Trustee and the Issuer shall notify each competent authority and/or stock exchange on which the Notes are for the time being admitted to listing and/or trading as soon as possible after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also be given to the Noteholders by the Issuer in accordance with Condition 21 (*Notices*) as soon as possible after the determination or calculation thereof. The 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. Any such recalculation will promptly be notified to each competent authority and/or stock exchange on which the Notes are for the time being admitted to listing and/or trading and to the Noteholders in accordance with Condition 21 (*Notices*). If the Calculation Amount is less than the minimum Specified Denomination the 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.

(j) ***Notifications etc.***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6 (*Floating Rate Note Provisions*) by the Calculation Agent, shall (in the absence of manifest error) be binding on the Issuer, the Calculation Agent, the Trustee, the Paying Agents, the Registrar, the Transfer Agents and all Holders and (in the absence of wilful default or gross negligence) no liability to the Holders, Couponholders or the Issuer shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

## **7 Zero Coupon Note Provisions**

(a) ***Application***

This Condition 7 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Late payment on Zero Coupon Notes***

If 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 of the first Tranche of the relevant Series of Notes to (but excluding) whichever is the earlier of (A) 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 (B) the day which is seven days after the Principal Paying Agent or 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).

## **8 Fixed/Floating Rate Notes**

(a) ***Application***

This Condition 8 (*Fixed/Floating Rate Notes*) is applicable to the Notes only if the Fixed Rate Note Provisions and the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Fixed/Floating Rate***

The Issuer may issue Notes (i) that the Issuer may elect to convert on the date set out in the relevant Final Terms from a Fixed Rate Note to a Floating Rate Note, or from a Floating Rate Note to a Fixed Rate Note or (ii) that will automatically change from a Fixed Rate Note to a Floating Rate Note, or from a Floating Rate Note to a Fixed Rate Note on the date set out in the relevant Final Terms, in either case, as set out in the relevant Final Terms.

## **9 Benchmark Discontinuation**

This Condition 9 (*Definitions*) applies to Floating Rate Notes and to Reset Notes.

(a) ***Independent Adviser***

Notwithstanding the fallback provisions provided for in Condition 5(d) (*Fallback – Mid-Swap Rate*), Condition 5(e) (*Fallback – Benchmark Gilt Rate*), Condition 6(c) (*Screen Rate Determination – Floating Rate Notes other than CMS-Linked Notes and Floating Rate Notes referencing SONIA*), Condition 6(d) (*Screen Rate Determination – Floating Rate Notes which are CMS-Linked Notes*) or Condition 6(e) (*Screen Rate Determination – Floating Rate Notes Referencing SONIA*), if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 9(b) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 9(c) (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 9(d) (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 9 (*Benchmark Discontinuation*) shall act in good faith and in a commercially reasonable manner. In the absence of fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 9 (*Benchmark Discontinuation*).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate and, in either case, an Adjustment Spread in accordance with this Condition 9 (*Benchmark Discontinuation*) 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 immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the Initial Rate of Interest. Where a different Margin, Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this sub-paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 9 (*Benchmark Discontinuation*).

(b) ***Successor Rate or Alternative Rate***

If the Independent Adviser determines that:

- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 9 (*Benchmark Discontinuation*)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 9 (*Benchmark Discontinuation*)).

(c) ***Adjustment Spread***

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be), including for each subsequent determination of a relevant Rate of Interest (or any component part(s) thereof) by reference to such Successor Rate or Alternative Rate (as applicable) subject to the subsequent operation of this Condition 9 (*Benchmark Discontinuation*).

If the Independent Adviser is unable to determine the Adjustment Spread (or the formula or methodology for determining such Adjustment Spread) then the fallback provisions described in the final subparagraph of Condition 9(a) (*Independent Adviser*) shall apply. For the avoidance of doubt, this subparagraph shall apply to the relevant next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first subparagraph of Condition 9(a) (*Independent Adviser*).

(d) ***Benchmark Amendments***

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 9 (*Benchmark Discontinuation*) and the Independent Adviser determines (i) that amendments to these Conditions, the Agency Agreement and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 9(e) (*Notices, etc.*), without any requirement for the consent or approval of Noteholders, vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee and the Principal Paying Agent of a certificate signed by two Authorised Signatories of the Issuer pursuant to Condition 9(e) (*Notices, etc.*), the Trustee and the Principal Paying Agent shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer and use reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee and the Principal Paying Agent shall not be liable to any party for any consequences thereof, provided that the Trustee and the Principal Paying Agent shall not be obliged so to concur or use such endeavours if in the opinion of the Trustee and the Principal Paying Agent (as applicable) doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or any documents to which it is a party

(including, for the avoidance of doubt, any supplemental trust deed) in any way. For the avoidance of doubt, no Noteholder consent shall be required in connection with effecting any Benchmark Amendments or such other changes, including for the execution of any documents, amendments or other steps by the Issuer, the Trustee, or the Principal Paying Agent (if required).

In connection with any such variation in accordance with this Condition 9(d) (*Benchmark Amendments*), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 9 (*Benchmark Discontinuation*), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected either (i) to prejudice the qualification of the Notes as Tier 2 Capital of the Issuer and/or as eligible liabilities or loss absorbing capacity instruments for the purposes of the Loss Absorption Regulations or (ii) (in the case of Senior Non-Preferred Notes only) to result in the relevant Competent Authority treating the Interest Payment Date or Reset Date, as the case may be, as the effective maturity date of the Notes, rather than the relevant Maturity Date.

(e) ***Notices, etc.***

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 9 (*Benchmark Discontinuation*) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 21 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee and the Principal Paying Agent of the same, the Issuer shall deliver to the Trustee and the Principal Paying Agent a certificate signed by two Authorised Signatories of the Issuer:

- (i) confirming (A) that a Benchmark Event has occurred, (B) the Successor Rate or, as the case may be, the Alternative Rate and, (C) the applicable Adjustment Spread and/or (D) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 9 (*Benchmark Discontinuation*); and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

Each of the Trustee, the Principal Paying Agent, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. For the avoidance of doubt, each of the Trustee and the Principal Paying Agent shall not be liable to the Holders or any other such person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Trustee's, Calculation Agent's and Paying Agents' respective abilities to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

(f) ***Survival of Original Reference Rate***

Without prejudice to the obligations of the Issuer under Condition 9(a) (*Independent Adviser*), Condition 9(b) (*Successor Rate or Alternative Rate*), Condition 9(c) (*Adjustment Spread*) and Condition 9(d) (*Benchmark Amendments*), the Original Reference Rate and the fallback provisions provided for in Condition 5(d) (*Fallback – Mid-Swap Rate*), Condition 5(e) (*Fallback – Benchmark Gilt Rate*), Condition 6(c) (*Screen Rate Determination – Floating Rate Notes other than CMS-Linked Notes and Floating Rate Notes referencing SONIA*), Condition 6(d) (*Screen Rate Determination – Floating Rate Notes which are CMS-Linked Notes*) or Condition 6(e) (*Screen Rate Determination – Floating Rate Notes Referencing SONIA*), as the case may be, will continue to apply unless and until a Benchmark Event has occurred and the Trustee has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 9(e) (*Notices, etc.*).

(g) **Definitions**

As used in this Condition 9 (*Benchmark Discontinuation*):

“**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)
- (ii) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions which reference the Original Reference Rate to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied)
- (iii) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or (if the Independent Adviser determines that no such industry standard is recognised or acknowledged)
- (iv) the Independent Adviser determines to be appropriate;

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 9(b) (*Successor Rate or Alternative Rate*) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes;

“**Benchmark Amendments**” has the meaning given to it in Condition 9(d) (*Benchmark Amendments*);

“**Benchmark Event**” means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

- (iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) the making of a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (v) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative of an underlying market; or
- (vi) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate experience appointed by the Issuer at its own expense under Condition 9(a) (*Independent Adviser*) and notified in writing to the Trustee;

“**Original Reference Rate**” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes or, if applicable, any other successor or alternative rate (or any component part thereof) determined and applicable to the Notes pursuant to the earlier operation of this Condition 9 (*Benchmark Discontinuation*);

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (aa) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (bb) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (cc) a group of the aforementioned central banks or other supervisory authorities or (dd) the Financial Stability Board or any part thereof; and

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

## 10 Redemption and Purchase

### (a) *Scheduled redemption*

Unless previously redeemed, or purchased and cancelled or (pursuant to Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*), Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*), Condition 10(o) (*Substitution and Variation of Tier 2 Capital Notes*) or Condition 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*)) substituted, the Notes will be redeemed at their Final Redemption Amount, together with accrued and unpaid interest, on the Maturity Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*) (as applicable).

### (b) *Redemption at the option of the Issuer*

Subject to Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*) in the case of Tier 2 Capital Notes or Condition 10(m) (*Pre-condition to Redemption,*

*Purchase, Substitution or Variation of Senior Non-Preferred Notes*) in the case of Senior Non-Preferred Notes, if the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) on the Issuer giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 21 (*Notices*) and to the Trustee, or such other period(s) as may be specified in the relevant Final Terms, (which notice shall be irrevocable 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 Final Terms (together with any accrued but unpaid interest to (but excluding) the relevant Optional Redemption Date (Call)) at the Optional Redemption Amount (Call).

(c) ***Redemption for Tax Event***

Subject to Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*) in the case of Tier 2 Capital Notes, Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*) in the case of Senior Non-Preferred Notes or Condition 10(n) (*Pre-condition to Redemption of Senior Preferred Notes*) in the case of Senior Preferred Notes, if a Tax Event has occurred, the Notes may be redeemed at the option of the Issuer in whole, but not in part, (if the Notes are Floating Rate Notes) on the next Interest Payment Date or (if the Notes are not Floating Rate Notes) at any time at their Early Redemption Amount (Tax), together with any accrued but unpaid interest to the date fixed for redemption, provided that the Issuer provides not less than 30 days' nor more than 60 days' prior notice to the Principal Paying Agent, the Registrar (if applicable), the Trustee and the Noteholders in accordance with Condition 21 (*Notices*) (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of any such notice as is referred to in this Condition 10(c) (*Redemption for Tax Event*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(c) (*Redemption for Tax Event*).

(d) ***Redemption for Capital Disqualification Event***

In the case of any Series of Tier 2 Capital Notes only and subject to Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*), if a Capital Disqualification Event has occurred, the Issuer may, at its option, redeem the Tier 2 Capital Notes, in whole but not in part, (if the Notes are Floating Rate Notes) on the next Interest Payment Date or (if the Notes are not Floating Rate Notes) at any time at the relevant Optional Redemption Amount (Capital Disqualification Event), together with any accrued but unpaid interest to (but excluding) the date fixed for redemption, provided that the Issuer provides not less than 30 days' nor more than 60 days' prior notice to the Principal Paying Agent, the Registrar (if applicable), the Trustee and the Holders of the Tier 2 Capital Notes in accordance with Condition 21 (*Notices*) (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of any such notice as is referred to in this Condition 10(d) (*Redemption for Capital Disqualification Event*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(d) (*Redemption for Capital Disqualification Event*).

(e) ***Redemption for Loss Absorption Disqualification Event***

This Condition 10(e) (*Redemption for Loss Absorption Disqualification Event*) applies in respect of all Series of Senior Non-Preferred Notes except for any Series where "Senior Non-Preferred Notes: Loss Absorption Disqualification Event Redemption" is expressly specified to be "Not Applicable" in the relevant Final Terms.

Subject to Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*), if Loss Absorption Disqualification Call is specified in the relevant Final Terms as being applicable and a Loss Absorption Disqualification Event has occurred, the Issuer may, at its option, redeem the Senior Non-Preferred Notes, in whole but not in part, (if the Notes are Floating Rate Notes) on the next Interest Payment Date or (if the Notes are not Floating Rate Notes) at any time at the relevant Optional Redemption Amount (Loss Absorption Disqualification Event), together with any accrued but unpaid interest to (but excluding) the date fixed for redemption, provided that the Issuer provides not less than 30 days' nor more than 60 days' prior notice to the Trustee and the Holders of the Notes in accordance with Condition 21 (*Notices*) (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of any such notice as is referred to in this Condition 10(e) (*Redemption for Loss Absorption Disqualification Event*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(e) (*Redemption for Loss Absorption Disqualification Event*).

This Condition 10(e) (*Redemption for Loss Absorption Disqualification Event*) will not apply to the extent such application would cause a Loss Absorption Disqualification Event to occur.

(f) ***Redemption at the option of Noteholders***

This Condition 10(f) (*Redemption at the option of Noteholders*) shall not apply to Tier 2 Capital Notes or Senior Non-Preferred Notes.

In the case of any Series of Senior Preferred Notes only, if the Put Option is specified in the relevant Final Terms 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 (which notice shall be irrevocable) at the relevant Optional Redemption Amount (Put) together with any accrued but unpaid interest to (but excluding) such date.

In order to exercise the option contained in this Condition 10(f) (*Redemption at the option of Noteholders*), the Holder of a Note must, not less than 30 days nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant Final Terms), deposit with any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) such Note together with any unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent or the Registrar (as the case may be) with which a 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 Condition 10(f) (*Redemption at the option of Noteholders*), 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 Registrar (as the case may be) 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 Paying Agent or the Registrar (as the case may be) in accordance with this Condition 10(f) (*Redemption at the option of Noteholders*), the depositor of such Note and not such Paying Agent or the Registrar (as the case may be) shall be deemed to be the Holder of such Note for all purposes.

The Holder of a Note may not exercise such option in respect of any Note which is the subject of an exercise by the Issuer of its option to redeem such Note under Condition 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(e) (*Redemption for Loss Absorption Disqualification*



Event) or 10(g) (*Partial redemption*) and any exercise of the first-mentioned option in such circumstances shall have no effect.

(g) ***Partial redemption***

If the Notes are to be redeemed in part only on any date in accordance with Condition 10(b) (*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 and in such manner as the Issuer considers appropriate, subject to compliance with applicable law, the rules of each competent authority and/or stock exchange by which the Notes have then been admitted to listing and/or trading and the notice to Noteholders referred to in Condition 10(b) (*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 Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(h) ***No other redemption***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10(a) (*Scheduled redemption*) to 10(g) (*Partial redemption*) above.

(i) ***Early redemption of Zero Coupon Notes***

Unless otherwise specified in the relevant Final Terms, 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 of the first Tranche of the relevant Series of Notes 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 Final Terms for the purposes of this Condition 10(i) (*Early redemption of Zero Coupon Notes*) or, if none is so specified, a Day Count Fraction of 30E/360.

(j) ***Purchase***

Subject to Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*) in the case of Tier 2 Capital Notes or Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*) in the case of Senior Non-Preferred Notes and notwithstanding Condition 3 (*Status*), the Issuer or any of its subsidiaries may at any time purchase or otherwise acquire any of the outstanding Notes at any price in the open market or otherwise, provided that all unmatured Coupons are purchased therewith.

(k) ***Cancellation***

All Notes which are redeemed pursuant to this Condition 10 (*Redemption and Purchase*) will be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may,

subject to obtaining any Supervisory Permission therefor, be held, reissued, resold or, at the option of the Issuer or any such subsidiary, cancelled.

(l) ***Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes***

This Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*) applies to Tier 2 Capital Notes only.

Notwithstanding any other provision in this Condition 10 (*Redemption and Purchase*), any redemption, purchase, substitution or variation of the Tier 2 Capital Notes (and giving of notice thereof to the Holders if required) pursuant to Conditions 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(d) (*Redemption for Capital Disqualification Event*), 10(j) (*Purchase*) or 10(o) (*Substitution and Variation of Tier 2 Capital Notes*) shall be subject to:

- (i) the Issuer obtaining prior Supervisory Permission therefor;
- (ii) in the case of any redemption or purchase prior to the Maturity Date, if and to the extent then required under prevailing Regulatory Capital Requirements, either: (A) the Issuer having replaced the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or (B) the Issuer having demonstrated to the satisfaction of the Competent Authority that the own funds and eligible liabilities of the Issuer would, following such redemption or purchase, exceed its minimum requirements (including any applicable buffer requirements) by a margin that the Competent Authority considers necessary at such time; and
- (iii) in the case of any redemption or purchase prior to the fifth anniversary of the issue date of the last Tranche of the relevant Series of Notes, if and to the extent then required under prevailing Regulatory Capital Requirements:
  - (A) in the case of redemption upon a Tax Event, the Issuer has demonstrated to the satisfaction of the Competent Authority that the applicable change in tax treatment is material and was not reasonably foreseeable as at the issue date of the last Tranche of the relevant Series of Notes; or
  - (B) in the case of redemption upon the occurrence of a Capital Disqualification Event, the Issuer has demonstrated to the satisfaction of the Competent Authority that the relevant change (or pending change which the Competent Authority considers to be sufficiently certain) in the regulatory classification of the Notes was not reasonably foreseeable as at the issue date of the last tranche of Notes of the relevant Series; or
  - (C) in the case of a purchase pursuant to Condition 10(j) (*Purchase*), the Issuer having demonstrated to the satisfaction of the Competent Authority that the Issuer has (or will have), before or at the same time as such purchase, replaced the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the Competent Authority having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
  - (D) in the case of a purchase pursuant to Condition 10(j) (*Purchase*), the Notes being purchased for market-making purposes in accordance with the Regulatory Capital Requirements.

Notwithstanding the above conditions, if, at the time of any redemption, purchase, substitution or variation, the prevailing Regulatory Capital Requirements permit the repayment, purchase, substitution or variation only after compliance with one or more alternative or additional pre-conditions to those set

out above in this Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*), the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

Prior to the publication of any notice of substitution, variation or redemption pursuant to Conditions 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(d) (*Redemption for Capital Disqualification Event*), 10(j) (*Purchase*) and 10(o) (*Substitution and Variation of Tier 2 Capital Notes*), the Issuer shall deliver to the Trustee (i) a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or, as appropriate, vary is satisfied and, in the case of a substitution or variation, that the terms of the relevant Qualifying Tier 2 Securities comply with the definition thereof in Condition 1 (*Interpretation*) and (ii) in the case of a redemption pursuant to Condition 10(c) (*Redemption for Tax Event*) only, an opinion from a nationally recognised law firm or other tax adviser in the United Kingdom and/or the Relevant Jurisdiction (as applicable) experienced in such matters to the effect that the relevant requirement or circumstance referred to in any of paragraphs (i) to (v) (inclusive) of the definition of “Tax Event” applies (but, for the avoidance of doubt, such opinion shall not be required to comment on the ability of the Issuer to avoid such circumstance by taking measures reasonably available to it) and the Trustee may accept (and if so treated and accepted by the Trustee, shall be so treated and accepted by the Holders) such certificate and, where applicable, opinion as sufficient evidence of the satisfaction of the relevant conditions precedent in which event it shall be conclusive and binding on the Trustee and the Holders.

(m) ***Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes***

This Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*) applies to Senior Non-Preferred Notes only.

The Issuer may only exercise a right to redeem, purchase, substitute or vary Senior Non-Preferred Notes pursuant to Conditions 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(e) (*Redemption for Loss Absorption Disqualification Event*), 10(j) (*Purchase*) and 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) if the Issuer has obtained prior Supervisory Permission therefor.

Notwithstanding the above conditions, if, at the time of any redemption, purchase, substitution or variation, the prevailing Regulatory Capital Requirements or Loss Absorption Regulations permit the repayment, substitution, variation or purchase only after compliance with one or more alternative or additional pre-conditions to those set out above in this Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of Senior Non-Preferred Notes*), the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

Prior to the publication of any notice of substitution, variation or redemption pursuant to Conditions 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(e) (*Redemption for Loss Absorption Disqualification Event*), 10(j) (*Purchase*) and 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*), the Issuer shall deliver to the Trustee (i) a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or, as appropriate, vary is satisfied and, in the case of a substitution or variation, that the terms of the relevant Loss Absorption Compliant Notes comply with the definition thereof in Condition 1 (*Interpretation*) and (ii) in the case of a redemption pursuant to Condition 10(c) (*Redemption for Tax Event*) only, an opinion from a nationally recognised law firm or other tax adviser in the United Kingdom and/or the Relevant Jurisdiction (as applicable) experienced in such matters to the effect that the relevant requirement or circumstance referred to in any of paragraphs (i) to (v) (inclusive) of the definition of “Tax Event” applies (but, for the avoidance of doubt, such opinion shall not be required to

comment on the ability of the Issuer to avoid such circumstance by taking measures reasonably available to it) and the Trustee may accept (and if so treated and accepted by the Trustee, shall be so treated and accepted by the Holders) such certificate and, where applicable, opinion as sufficient evidence of the satisfaction of the relevant conditions precedent in which event it shall be conclusive and binding on the Trustee and the Holders.

(n) ***Pre-condition to Redemption of Senior Preferred Notes***

Prior to the publication of any notice of redemption of Senior Preferred Notes pursuant to Condition 10(c) (*Redemption for Tax Event*), the Issuer shall deliver to the Trustee (i) a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance giving rise to the right to redeem is satisfied and (ii) an opinion from a nationally recognised law firm or other tax adviser in the United Kingdom and/or the Relevant Jurisdiction (as applicable) experienced in such matters to the effect that the relevant requirement or circumstance referred to in any of paragraphs (i) to (v) (inclusive) of the definition of “Tax Event” applies (but, for the avoidance of doubt, such opinion shall not be required to comment on the ability of the Issuer to avoid such circumstance by taking measures reasonably available to it) and the Trustee may accept (and if so treated and accepted by the Trustee, shall be so treated and accepted by the Holders) such certificate and, where applicable, opinion as sufficient evidence of the satisfaction of the relevant conditions precedent in which event it shall be conclusive and binding on the Trustee and the Holders.

(o) ***Substitution and Variation of Tier 2 Capital Notes***

This Condition 10(o) (*Substitution and Variation of Tier 2 Capital Notes*) applies to each Series of Tier 2 Capital Notes unless “Tier 2 Capital Notes: Substitution and Variation” is expressly specified to be “Not Applicable” in the relevant Final Terms.

If a Tax Event or a Capital Disqualification Event has occurred, then the Issuer may, subject to Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*) and having given not less than 30 nor more than 60 days’ notice to the Holders in accordance with Condition 21 (*Notices*), the Trustee, the Registrar and the Principal Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as the case may be, variation of the Notes) but without any requirement for the consent or approval of the Holders, at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Qualifying Tier 2 Securities, and the Trustee shall (subject to the following provisions of this Condition 10(o) (*Substitution and Variation of Tier 2 Capital Notes*) and subject to the receipt by it of the certificates of the Authorised Signatories referred to in Condition 10(l) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Tier 2 Capital Notes*) and in the definition of Qualifying Tier 2 Securities) agree to such substitution or variation. Upon the expiry of such notice, the Issuer shall either vary the terms of or substitute the Notes in accordance with this Condition 10(o) (*Substitution and Variation of Tier 2 Capital Notes*), as the case may be. The Trustee shall at the request and expense of the Issuer use its reasonable endeavours to assist the Issuer in the substitution of the Notes for, or the variation of the terms of the Notes so that they remain, or as appropriate, become, Qualifying Tier 2 Securities, provided that the Trustee shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of the proposed alternative Qualifying Tier 2 Securities or the participation in or assistance with such substitution or variation would impose, in the Trustee’s opinion, more onerous obligations upon it or reduce its rights or protections. If, notwithstanding the above, the Trustee does not participate or assist as provided above, the Issuer may, subject as provided above, redeem the Notes as provided in Condition 10(c) (*Redemption for Tax Event*) or 10(d) (*Redemption for Capital Disqualification Event*).

In connection with any substitution or variation in accordance with this Condition 10(o) (*Substitution and Variation of Tier 2 Capital Notes*), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(p) ***Substitution and Variation of Senior Non-Preferred Notes***

This Condition 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) applies to each Series of Senior Non-Preferred Notes unless “Senior Non-Preferred Notes: Substitution and Variation” is expressly specified to be “Not Applicable” in the relevant Final Terms.

If a Loss Absorption Disqualification Event or a Tax Event has occurred, then the Issuer may, subject to Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Senior Non-Preferred Notes*) and having given not less than 30 nor more than 60 days’ notice to the Holders in accordance with Condition 21 (*Notices*), the Trustee, the Registrar and the Principal Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as the case may be, variation of the Notes) but without any requirement for the consent or approval of the Holders, at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes, and the Trustee shall (subject to the following provisions of this Condition 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) and subject to the receipt by it of the certificates of the Authorised Signatories referred to in Condition 10(m) (*Pre-condition to Redemption, Purchase, Substitution or Variation of the Senior Non-Preferred Notes*) and in the definition of Loss Absorption Compliant Notes) agree to such substitution or variation. Upon the expiry of such notice, the Issuer shall either vary the terms of or substitute the Notes in accordance with this Condition 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*), as the case may be. The Trustee shall at the request and expense of the Issuer use its reasonable endeavours to assist the Issuer in the substitution of the Notes for, or the variation of the terms of the Notes so that they remain, or as appropriate, become, Loss Absorption Compliant Notes, provided that the Trustee shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of the proposed alternative Loss Absorption Compliant Notes or the participation in or assistance with such substitution or variation would impose, in the Trustee’s opinion, more onerous obligations upon it or reduce its rights or protections. If, notwithstanding the above, the Trustee does not participate or assist as provided above, the Issuer may, subject as provided above, redeem the Notes as provided in Condition 10(c) (*Redemption for Tax Event*) or 10(e) (*Redemption for Loss Absorption Disqualification Event*).

In connection with any substitution or variation in accordance with this Condition 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

## **11 Payments – Bearer Notes**

This Condition 11 (*Payments – Bearer Notes*) is only applicable to Bearer Notes.

(a) ***Principal***

Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by transfer to an 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 Centre of that currency.

(b) ***Interest***

Payments of interest shall, subject to Condition 11(h) (*Payments other than in respect of matured Coupons*), be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 11(a) (*Principal*).

(c) ***Payments in New York City***

Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the 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 Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions; and (iii) payment is permitted by applicable United States law.

(d) ***Payments subject to fiscal laws***

Save as provided in Condition 13 (*Taxation*), payments in respect of the Bearer Notes will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws and regulations to which the Issuer or its Agents are or agree to be subject and the Issuer or any of its Paying Agents will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, and no commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) ***Deductions for unmatured Coupons***

If the relevant Final Terms specify that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented for payment 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; or
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
  - (1) 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 Condition 11(e)(ii)(1) would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
  - (1) 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 Condition 11(a) (*Principal*) against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons.

(f) ***Unmatured Coupons void***

If the relevant Final Terms specify that the Reset Note Provisions are applicable or that the Floating Rate Note Provisions are applicable, on the due date for redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(d) (*Redemption for Capital Disqualification Event*), 10(e) (*Redemption for Loss Absorption Disqualification Event*) or 10(f) (*Redemption at the option of Noteholders*) or 14 (*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.

(g) ***Payments on business days***

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.

(h) ***Payments other than in respect of matured Coupons***

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 Paying Agent outside the United States (or in New York City if permitted by Condition 11(c) (*Payments in New York City*)).

(i) ***Partial payments***

If a 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.

(j) ***Exchange of Talons***

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 the Principal Paying Agent 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 Condition 15 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

## **12 Payments – Registered Notes**

This Condition 12 (*Payments – Registered Notes*) is only applicable to Registered Notes.

(a) ***Principal***

Payments of principal shall be made by transfer to an 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 Centre of that currency and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Paying Agent.

(b) ***Interest***

Payments of interest shall be made by transfer to an 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 Centre 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 Certificates at the Specified Office of any Paying Agent.

(c) ***Payments subject to fiscal laws***

Save as provided in Condition 13 (*Taxation*), payments in respect of the Registered Notes will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws and regulations to which the Issuer or its Agents are or agree to be subject and the Issuer or any of its agents will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, and no commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) ***Payments on business days***

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 Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a 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.

(e) ***Partial payments***

If a 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 Register and, in the case of partial payment upon presentation of a Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Certificate.

(f) ***Record date:***

Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the close of business in the place of the Registrar's Specified Office on the 15<sup>th</sup> business day before the due date for such payment (the "**Record Date**").

### **13 Taxation**

(a) ***Gross up***

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without 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 Relevant Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall (a) in the case of all Senior Preferred Notes and in the case of each Series of Senior Non-Preferred Notes unless the relevant Final Terms expressly specifies "Senior Non-Preferred Notes: Gross-up of principal" as "Not Applicable", in respect of payments of interest (if any) or principal, or (b) in the case of all Tier 2 Capital Notes and each Series of Senior Non-Preferred Notes for which the relevant Final Terms expressly specifies "Senior Non-Preferred Notes: Gross-up of principal" as "Not



Applicable”, in respect of payments of interest (if any) only and not principal, pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note or Coupon:

- (i) held by or on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Relevant Jurisdiction other than a mere holding of such Note or Coupon;
- (ii) to, or to a third party on behalf of, a Holder who could lawfully avoid (but has not so avoided) such deduction or withholding by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the Certificate representing the Note or Coupon is presented for payment; or
- (iii) in respect of which the Note or Certificate is presented for payment more than 30 days after the Relevant Date except to the extent that the Holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such period of 30 days.

References in these Conditions to interest shall be deemed to include any Additional Amounts which may become payable pursuant to the foregoing provisions or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

(b) **FATCA**

Notwithstanding any other provisions of the Trust Deed, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

## 14 Events of Default

(a) **Senior Preferred Notes and Senior Non-Preferred Notes (Unrestricted Default)**

The provisions of this Condition 14(a) (*Senior Preferred Notes and Senior Non-Preferred Notes (Unrestricted Default)*) shall have effect in relation to any Series of Senior Preferred Notes and in relation to any Series of Senior Non-Preferred Notes, in each case where the relevant Final Terms expressly specify that Condition 14(b) (*Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) is “Not Applicable”.

If any of the following events occurs and is continuing, then the Trustee at its discretion may and, if so requested in writing by Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject, in all cases, to the Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with any accrued but unpaid interest without further action or formality:

- (i) *Non-payment*: any principal or interest on the Notes has not been paid within seven days (in the case of principal) and within 14 days (in the case of interest) from the due date for payment; or
- (ii) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Trust Deed and that breach has not (in the opinion of the Trustee) been remedied within 30 days of receipt of a written notice from the Trustee requiring the same to be remedied and the Trustee has certified that in its opinion the breach is materially prejudicial to the interests of the Holders; or
- (iii) *Winding-up*: a Winding-Up of the Issuer.

The Trustee may, at any time at its discretion and without notice (subject to the Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction) institute such proceedings or take such steps or actions as it may think fit against the Issuer to enforce the terms of these Conditions, the Trust Deed or the Agency Agreement.

(b) **Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)**

The provisions of this Condition 14(b) (*Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) shall have effect in relation to (i) any Series of Senior Preferred Notes and any Series of Senior Non-Preferred Notes, in each case where the relevant Final Terms expressly specify that Condition 14(b) (*Tier 2 Capital Notes, Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) is “Applicable” and (ii) each Series of Tier 2 Capital Notes.

- (i) If the Issuer does not make payment in respect of the Notes (in the case of payment of principal) for a period of seven days or more or (in the case of any interest payment) for a period of 14 days or more, in each case after the date on which such payment is due, the Issuer shall be deemed to be in default under the Trust Deed and the Notes and the Trustee, in its discretion, may, or if so requested by an Extraordinary Resolution of the Holders or in writing by the Holders of at least one-quarter in principal amount of the Notes then outstanding shall, subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction notwithstanding the provisions of Condition 14(b)(ii), institute proceedings for the winding-up of the Issuer.

In the event of a Winding-Up of the Issuer (whether or not instituted by the Trustee pursuant to the foregoing), the Trustee in its discretion may, or if so requested by an Extraordinary Resolution of the Holders or in writing by the Holders of at least one-quarter in principal amount of the Notes then outstanding shall, subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction prove and/or claim in such Winding-Up of the Issuer, such claim being as contemplated in Condition 3 (*Status*).

- (ii) Without prejudice to Condition 14(b)(i) but subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction, the Trustee may at its discretion and without notice institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Trust Deed or the Notes (other than any payment obligation of the Issuer under or arising from the Notes or the Trust Deed, including, without limitation, payment of any principal or interest in respect of the Notes, including any damages awarded for breach of any obligations) and in no event shall the Issuer, by virtue of the institution of any such steps, actions or proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it pursuant to these Conditions and the Trust Deed. Nothing in this Condition 14(b)(ii) shall, however, prevent the Trustee instituting proceedings for the winding-up of the Issuer and/or proving and/or claiming in any Winding-Up of the Issuer in respect of any payment obligations of the Issuer arising from the Notes or the

Trust Deed (including any damages awarded for breach of any obligations) in the circumstances provided in Conditions 3 (*Status*) and 14(b)(i) (*Non-payment*).

(c) **Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Capital Notes**

The provisions of this Condition 14(c) (*Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Capital Notes*) shall have effect in relation to each Series of Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Capital Notes.

- (i) The Trustee shall not be bound to take any of the actions referred to in Condition 14(a) (*Senior Preferred Notes and Senior Non-Preferred Notes (Restricted Default)*) or 14(b) (*Tier 2 Capital Notes and Senior Non-Preferred Notes (Unrestricted Default)*) or any other action under or pursuant to the Trust Deed unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Holders or in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.
- (ii) No Holder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer or prove or claim in any Winding-Up of the Issuer unless the Trustee, having become so bound to proceed or being able to prove or claim in such Winding-Up, fails or is unable to do so within 60 days and such failure or inability shall be continuing, in which case the Holder shall, with respect to the Notes held by it, have only such rights against the Issuer as those which the Trustee is entitled to exercise in respect of such Notes as set out in this Condition 14 (*Events of Default*).
- (iii) No remedy against the Issuer, other than as referred to in this Condition 14 (*Events of Default*), shall be available to the Trustee or the Holders, whether for the recovery of amounts owing in respect of the Notes or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Notes or under the Trust Deed.

## 15 Prescription

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within 10 years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest in respect of Registered Notes shall become void unless the relevant Certificates are surrendered for payment within 10 years of the appropriate Relevant Date.

## 16 Replacement of Notes and Coupons

If any Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, in the case of Bearer Notes or Coupons, or the Registrar, in the case of Registered Notes (and if the Notes are admitted to listing and/or trading by any competent authority and/or stock exchange which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by the competent authority and/or stock exchange), subject to all applicable laws and competent authority and/or stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Certificates or Coupons or Talons must be surrendered before replacements will be issued.

## 17 Agents

The initial Principal Paying Agent, the Registrar, the Calculation Agent and the Transfer Agents and their initial Specified Offices are listed below. They act solely as agents of the Issuer or the Trustee (as applicable) and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right, subject to the approval of the Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent, the Registrar, the Calculation Agent and the Transfer Agents and to appoint replacement agents or other Transfer Agents, provided that it will:

- (a) at all times maintain a Principal Paying Agent, a Registrar and a Transfer Agent;
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing and/or trading by any competent authority and/or stock exchange which requires the appointment of a Paying Agent and/or Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority and/or stock exchange.

Notice of any such termination or appointment and of any change in the Specified Offices of the Principal Paying Agent, the Registrar, the Calculation Agent and the Transfer Agents will be given to the Holders in accordance with Condition 21 (*Notices*). If any of the Calculation Agent, Registrar or the Principal Paying Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Conditions or the Agency Agreement (as the case may be), the Issuer shall appoint, on terms acceptable to the Trustee, an independent financial institution acceptable to the Trustee to act as such in its place. All calculations and determinations made by the Calculation Agent, the Registrar or the Principal Paying Agent in relation to the Notes and the Coupons shall (save in the case of manifest error) be final and binding on the Issuer, the Trustee, the Calculation Agent, the Registrar, the Principal Paying Agent and the Holders. All calculations and determinations made by the Calculation Agent pursuant to these Conditions will be made in consultation with the Issuer.

## 18 Meetings of Noteholders; Modification and Waiver; Substitution

### (a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed, subject, in the case of Tier 2 Capital Notes and Senior Non-Preferred Notes, to Condition 18(e) (*Supervisory Permission*). Such a meeting may be convened by the Issuer, by the Trustee at its own discretion or by the Trustee at the direction of Holders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions (including, *inter alia*, the provisions regarding status and subordination referred to in Condition 3 (*Status*), the terms concerning currency and due dates for payment of principal or interest payments in respect of the Notes and reducing or cancelling the principal amount of, or interest on, any Notes or varying the method of calculating the Rate of Interest) and certain other provisions of the Trust Deed the quorum will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the

Notes for the time being outstanding. The agreement or approval of the Holders shall not be required in the case of (i) the implementation of any Benchmark Amendments described in Condition 9(d) (*Benchmark Amendments*) and (ii) any variation of these Conditions and/or the Trust Deed required to be made in the circumstances described in Conditions 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) and 10(o) (*Substitution and Variation of Tier 2 Capital Notes*) in connection with the variation of the terms of the Notes so that they become, alternative Qualifying Tier 2 Securities or Loss Absorption Compliant Notes, as the case may be, and to which the Trustee has agreed pursuant to the relevant provisions of Conditions 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) or 10(o) (*Substitution and Variation of Tier 2 Capital Notes*), as the case may be.

An Extraordinary Resolution passed at any meeting of Holders will be binding on all Noteholders and Couponholders, whether or not they are present at the meeting.

The Trust Deed provides that (i) a resolution passed, at a meeting duly convened and held, by a majority of at least 75 per cent. of the votes cast, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding or (iii) if applicable, consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holder(s) of not less than 75 per cent. in principal amount of the Notes for the time being outstanding, shall, in each case be effective as an Extraordinary Resolution of the Holders. Any 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 Holders.

The Trust Deed contains provisions for convening a single meeting of the holders of Notes of more than one Series in certain circumstances where the Trustee so decides.

(b) ***Modification and waiver***

The Trustee may agree, without the consent of the Holders, to (i) any modification of these Conditions or of any other provisions of the Trust Deed or the Agency Agreement which in its opinion is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification to (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach of any of these Conditions or of the provisions of the Trust Deed or the Agency Agreement which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Holders. The Trustee may, without the consent of the Holders of any Series, determine that any Event of Default or Potential Event of Default (each as defined in the Trust Deed) should not be treated as such, provided that, in the opinion of the Trustee, the interests of Holders are not materially prejudiced thereby.

In addition, the Trustee shall be obliged to concur with the Issuer and use its reasonable endeavours to effect any Benchmark Amendments in the circumstances and as otherwise set out in Condition 9 (*Benchmark Discontinuation*) without the consent of the Holders.

Any such modification, authorisation, waiver or determination shall be binding on the Holders and, if the Trustee so requires, such modification shall be notified to the Holders as soon as practicable.

(c) ***Substitution***

(i) The Trust Deed contains provisions permitting the Trustee to agree, subject to the Trustee being satisfied that the interests of the Holders will not be materially prejudiced by the substitution but without the consent of the Holders, to the substitution on a status equivalent to that referred to in Condition 3 (*Status*) and the relevant Final Terms of certain other entities (any such entity, a “**Substitute Obligor**”) in place of the Issuer (or any previous Substitute Obligor under this Condition) as a new principal debtor under the Trust Deed and the Notes.

- (ii) In addition, if a Newco Scheme occurs, the Issuer may, without the consent of the Holders, at its option, procure that (pursuant to the Newco Scheme or otherwise) Newco is substituted under the Notes and the Trust Deed as the new principal debtor under the Trust Deed and the Notes in place of the Issuer (or any previous substitute therefor under this Condition 18 (*Meetings of Noteholders; Modification and Waiver; Substitution*)) and, upon such substitution, all references to “the Issuer” hereunder will be construed as references to Newco and the obligations of the Issuer (or the relevant previous substitute) as issuer under the Notes and the Trust Deed will, without any further formality (including, without limitation, the execution of any agreement or deed) be terminated. The Trustee shall (at the expense of the Issuer) use its reasonable endeavours to co-operate with the Issuer (including, but not limited to, entering into such documents or deeds (if any) as may be necessary) to give effect to, or evidence, such substitution.
- (iii) Notwithstanding the previous sub-paragraph, the Issuer shall not be permitted to substitute Newco as the issuer of the Notes if (i) the Issuer or Newco is in Winding-Up at the relevant time or (ii) a Capital Disqualification Event or Loss Absorption Disqualification Event would occur as a result of such substitution.
- (iv) In the case of any substitution pursuant to this Condition 18(c) (*Substitution*) the Trustee may agree, without the consent of the Holders, to a change of the law governing the subordination and waiver of set-off provisions set out in these Conditions and the Trust Deed, provided that such change or the substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Holders. In connection with any substitution of the Issuer pursuant to this Condition 18(c) (*Substitution*) or any substitution of the Notes pursuant to Condition 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) or 10(o) (*Substitution and Variation of Tier 2 Capital Notes*), none of the Issuer, any Substitute Obligor, Newco (if applicable) and/or the Trustee need have any regard to the consequences of any such substitution for individual Noteholders or Couponholders and no Holder shall be entitled to claim from the Issuer, any Substitute Obligor, Newco (if applicable) or the Trustee any indemnification or other payment in respect of any tax or other consequences arising as a result of or from such substitution.
- (v) In the case of a substitution of Newco pursuant to condition 18(c)(ii), the Issuer shall, without the consent of Holders, amend the provisions relating to the ranking of any Senior Non-Preferred Notes such that they become, and rank equally with, the ordinary non-preferential debt of Newco. The Trustee shall (at the expense of the Issuer) use its reasonable endeavours to co-operate with the Issuer (including, but not limited to, entering into such documents or deeds (if any) as may be necessary) to give effect to, or evidence, such amendments.

(d) ***Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of Holders of the relevant Series of Notes as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

(e) ***Supervisory Permission***

In the case of any Series of Tier 2 Capital Notes or Senior Non-Preferred Notes, no modification to these Conditions or any other provisions of the Trust Deed and no substitution of the Issuer pursuant to this Condition 18 (*Meeting of Noteholders; Modification and Waiver; Substitution*) shall become effective unless (if and to the extent required at the relevant time by the Competent Authority) the Issuer shall

have given at least 30 days' prior written notice thereof to, and received Supervisory Permission therefor from, the Competent Authority (or such other period of notice as the Competent Authority may from time to time require or accept and, in any event, provided that there is a requirement to give such notice and obtain such Supervisory Permission).

(f) **Notices**

Any such modification, waiver, authorisation or substitution shall be binding on all Holders and, unless the Trustee agrees otherwise shall be notified to the Holders in accordance with Condition 21 (*Notices*) as soon as practicable thereafter.

## 19 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders, but subject to any Supervisory Permission required, create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Series with the Notes. Any further securities forming a single Series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed.

## 20 Rights of the Trustee

The Trust Deed contains provisions for the indemnification of, and/or the provision of security for and/or prefunding, the Trustee and for its relief from responsibility.

The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trustee may rely without liability to Holders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise.

Conditions 3 (*Status*) and 4 (*Fixed Rate Note Provisions*) apply only to amounts payable in respect of the Notes and nothing in Conditions 3 (*Status*), 4 (*Fixed Rate Note Provisions*) or 14 (*Events of Default*) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

## 21 Notices

(a) **Bearer Notes:**

Notices to the 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). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.

(b) ***Registered Notes***

Notices to the Holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the first weekday (being a day other than a Saturday or Sunday) after the date of mailing.

(c) ***Notices given by Holders***

Notices to be given by any Holder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes).

(d) ***All Notices***

The Issuer shall also ensure that all notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading.

## **22 Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), (A) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one thousandth of a percentage point (with 0.0005 per cent. being rounded up to 0.001 per cent.), (b) all United States 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.

## **23 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of any Note by virtue of the Contracts (Rights of Third Parties) Act 1999.

## **24 Governing Law and Jurisdiction**

(a) ***Governing law***

The Notes, the Coupons and the Trust Deed, and all non-contractual obligations arising out of or in connection with the Notes, the Coupons and the Trust Deed, are governed by, and shall be construed in accordance with, English law.

(b) ***Jurisdiction***

The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Notes or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, any Notes or any Coupons (including any legal action or proceedings relating to non-contractual obligations arising out of or in connection with them) (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of the courts of England in respect of any such Proceedings. Nothing in this Condition 24 (*Jurisdiction*) or the Trust Deed shall prevent the Trustee from bringing Proceedings in any competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) to the extent permitted by applicable law.



## Schedule 2

### Part 1

#### Form of Temporary Global Note

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]<sup>1</sup>

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION UNDER THE SECURITIES ACT.

#### METRO BANK PLC

*(incorporated with limited liability under the laws of England and Wales)*

**£3,000,000,000**

#### Euro Medium Term Note Programme

#### TEMPORARY GLOBAL NOTE

### 1 Introduction

**1.1 The Notes:** This Temporary Global Note is issued in respect of the notes (the “**Notes**”) of Metro Bank PLC (the “**Issuer**”) described in the final terms (the “**Final Terms**”) a copy of which is annexed hereto. The Notes:

- (A) **Trust Deed:** are subject to, and have the benefit of, a trust deed dated 17 September 2019 (the “**Trust Deed**”) made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee (the “**Trustee**”, which expression includes all persons for the time being appointed trustee or trustees under the Trust Deed); and
- (B) **Agency Agreement:** are the subject of an agency agreement dated 17 September 2019 (the “**Agency Agreement**”) made between the Issuer, Citibank, N.A., London Branch as principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), the other agents named therein (together with the Principal Paying Agent, the “**Agents**”, which expression includes any successor or additional agents appointed from time to time in connection with the Notes) and the Trustee.

**1.2 Construction:** All references in this Temporary Global Note to an agreement, instrument or other document (including the Agency Agreement and the Trust Deed) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time provided that, in the case of any amendment, supplement, replacement or novation made after the date hereof, it is made in accordance with the Conditions. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Temporary Global Note.

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<sup>1</sup> Legend to appear on every Note with a maturity of more than one year.

**1.3 References to Conditions:** Any reference herein to the “**Conditions**” is to the Conditions as defined in the Trust Deed as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof. Words and expressions defined in the Conditions shall have the same meanings when used in this Temporary Global Note.

## **2 Promise to Pay**

**2.1 Pay to bearer:** The Issuer, for value received, promises to pay to the bearer of this Temporary Global Note, in respect of each Note represented by this Temporary Global Note, the Redemption Amount on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions (or to pay such other amounts of principal on such dates as may be specified in the Final Terms), and to pay interest on each such Note on the dates and in the manner specified in the Conditions, save that the calculation of interest is made in respect of the total aggregate amount of the Notes, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions; *provided, however*, that such interest shall be payable only:

(A) **Before the Exchange Date:** in the case of interest falling due before the Exchange Date (as defined below), to the extent that a certificate or certificates issued by Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A., (“**Clearstream, Luxembourg**”, together with Euroclear, the international central securities depositories or “**ICSDs**”) and/or any other relevant clearing system dated not earlier than the date on which such interest falls due and in substantially the form set out in Schedule 3 (*Form of Euroclear/Clearstream, Luxembourg Certification*) hereto is/are delivered to the Specified Office of the Principal Paying Agent; or

(B) **Failure to exchange:** in the case of interest falling due at any time, to the extent that the Issuer has failed to procure the exchange for a permanent global note of that portion of this Temporary Global Note in respect of which such interest has accrued.

**2.2 NGN Principal Amount:** If the Final Terms specify that the New Global Note form is applicable, this Temporary Global Note shall be a “**New Global Note**” or “**NGN**” and the principal amount of Notes represented by this Temporary Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression in this Temporary Global Note means the records that each ICSD holds for its customers which reflect the amount of such customers’ interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD)) shall be conclusive evidence of the principal amount of Notes represented by this Temporary Global Note and, for these purposes, a statement issued by an ICSD (which statement shall be made available to the bearer upon request) stating the principal amount of Notes represented by this Temporary Global Note at any time shall be conclusive evidence of the records of the ICSD at that time.

**2.3 CGN Principal Amount:** If the Final Terms specify that the New Global Note form is not applicable, this Temporary Global Note shall be a “**Classic Global Note**” or “**CGN**” and the principal amount of Notes represented by this Temporary Global Note shall be the amount stated in the Final Terms or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto.

### 3 Negotiability

This Temporary Global Note is negotiable and, accordingly, title to this Temporary Global Note shall pass by delivery.

### 4 Exchange

**4.1 Permanent Global Note:** If the Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then on or after the day following the expiry of 40 days after the date of issue of this Temporary Global Note (the “**Exchange Date**”), the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note (which expression has the meaning given in the Trust Deed) in accordance with the Agency Agreement to the bearer of this 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:

- (A) **Presentation and surrender:** presentation and (in the case of final exchange) presentation and surrender of this Temporary Global Note to or to the order of the Principal Paying Agent; and
- (B) **Certification:** receipt by the Principal Paying Agent of a certificate or certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system dated not earlier than the Exchange Date and in substantially the form set out in Schedule 3 (*Form of Euroclear/Clearstream, Luxembourg Certification*) hereto,

within seven days of the bearer requesting such exchange.

The principal amount of Notes represented by the Permanent Global Note shall be 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; provided, however, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by this Temporary Global Note.

### 5 Delivery of Permanent Global Notes

Whenever any interest in this 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, duly authenticated, to the bearer of this Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of Notes represented by such Permanent Global Note in accordance with its terms, in each case 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 this Temporary Global Note to or to the order of the Principal Paying Agent within 7 days of the bearer requesting such exchange.

### 6 Writing Down

On each occasion on which:

- 6.1 Permanent Global Note:** the Permanent Global Note is delivered or the principal amount of Notes represented thereby is increased in accordance with its terms in exchange for a further portion of this Temporary Global Note; or
- 6.2 Cancellation:** Notes represented by this Temporary Global Note are to be cancelled in accordance with Condition 10(k) (*Redemption and Purchase – Cancellation*), the Issuer shall procure that:
- (A) if the Final Terms specify that the New Global Note form is not applicable, (i) the principal amount of Notes represented by this Temporary Global Note, the principal amount of such decrease or (as the case may be) the aggregate principal amount of such Notes and (ii) the remaining principal amount of Notes represented by this Temporary Global Note (which shall be the previous principal amount of Notes represented by this Temporary Global Note less the aggregate of the amounts referred to in (i)) are entered in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto, whereupon the principal amount of Notes represented by this Temporary Global Note shall for all purposes be as most recently so entered; and
  - (B) if the Final Terms specify that the New Global Note form is applicable, details of the cancellation shall be entered pro rata in the records of the ICSDs.

## **7 Payments**

- 7.1 Recording of Payments:** Upon any payment being made in respect of the Notes represented by this Temporary Global Note, the Issuer shall procure that:
- (A) **CGN:** if the Final Terms specify that the New Global Note form is not applicable, details of such payment shall be entered in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto and, in the case of any payment of principal, the principal amount of the Notes represented by this Temporary Global Note shall be reduced by the principal amount so paid; and
  - (B) **NGN:** if the Final Terms specify that the New Global Note form is applicable, details of such payment shall be entered pro rata in the records of the ICSDs and, in the case of any payment of principal, the principal amount of the Notes entered in the records of ICSDs and represented by this Temporary Global Note shall be reduced by the principal amount so paid.
- 7.2 Discharge of Issuer's obligations:** Payments due in respect of Notes for the time being represented by this Temporary Global Note shall be made to the bearer of this Temporary Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.
- 7.3 Payment Business Day:** If the currency of any payment made in respect of Notes represented by this Temporary Global Note is euro, the applicable Payment Business Day shall be 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 Centre; or, if the currency of any payment made in respect of the Notes represented by this Temporary Global Note is not euro, the applicable Payment Business Day shall be any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.
- 7.4 Exchanges improperly withheld or refused:** Pursuant to Clause 4 (*Exchange*), 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 certification of non-U.S. beneficial ownership pursuant to Clause 4.1(B).

## **8 Conditions Apply**

Until this Temporary Global Note has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Temporary Global Note shall be subject to the Conditions and, subject as otherwise provided herein, shall be entitled to the same rights and benefits under the Conditions as if the bearer were the Holder of Definitive Notes and any related Coupons and Talons in the smallest Specified Denomination and in an aggregate principal amount equal to the principal amount of the Notes represented by this Temporary Global Note.

## **9 Notices**

Notwithstanding Condition 21 (*Notices*), while all the Notes are represented by this Temporary Global Note (or by this Temporary Global Note and the Permanent Global Note) and this Temporary Global Note is (or this Temporary Global Note and the Permanent Global Note are) deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a Common Safekeeper (which expression has the meaning given in the Trust Deed), notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 21 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

## **10 Authentication**

This Temporary Global Note shall not be valid for any purpose until it has been authenticated for and on behalf of the Principal Paying Agent.

## **11 Effectuation**

If the Final Terms specify that the New Global Note form is applicable, this Temporary Global Note shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as common safekeeper by the ICSDs.

## **12 Governing Law**

This Temporary Global Note and any non-contractual obligations arising out of or in connection with it are governed by English law.

**In witness** whereof the Issuer has caused this Temporary Global Note to be signed manually or in facsimile by a person duly authorised on its behalf.

**METRO BANK PLC**

By:

**ISSUED** on the Issue Date

**AUTHENTICATED** for and on behalf of  
**CITIBANK, N.A., LONDON BRANCH** as principal paying agent without recourse,  
warranty or liability

By:

**EFFECTUATED** for and on behalf of

.....

as common safekeeper without  
recourse, warranty or liability

By:

**Schedule  
Payments, Exchange and Cancellation of Notes**

<b>Date of payment or cancellation</b>	<b>Amount of interest then paid</b>	<b>Principal amount of Permanent Global Note then delivered or by which Permanent Global Note then increased</b>	<b>Aggregate principal amount of Notes then cancelled</b>	<b>Remaining principal amount of this Temporary Global Note</b>

## Part 2 Form of Permanent Global Note

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]<sup>2</sup>

### METRO BANK PLC

*(incorporated with limited liability under the laws of England and Wales)*

**£3,000,000,000**

**Euro Medium Term Note Programme**

### PERMANENT GLOBAL NOTE

## 1 Introduction

**1.1 The Notes:** This Permanent Global Note is issued in respect of the notes (the “**Notes**”) of Metro Bank PLC (the “**Issuer**”) described in the final terms (the “**Final Terms**”), a copy of which is annexed hereto. The Notes:

- (A) **Trust Deed:** are subject to, as amended or supplemented from time to time, and have the benefit of, a trust deed dated 17 September 2019 (the “**Trust Deed**”) made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee (the “**Trustee**”, which expression includes all persons for the time being appointed trustee or trustees under the Trust Deed); and
- (B) **Agency Agreement:** are the subject of an agency agreement dated 17 September 2019 (the “**Agency Agreement**”) made between the Issuer, Citibank, N.A., London Branch as principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), the other agents named therein (together with the Principal Paying Agent, the “**Agents**”, which expression includes any successor or additional agents appointed from time to time in connection with the Notes) and the Trustee.

**1.2 Construction:** All references in this Permanent Global Note to an agreement, instrument or other document (including the Agency Agreement and the Trust Deed) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time provided that, in the case of any amendment, supplement, replacement or novation made after the date hereof, it is made in accordance with the Conditions. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Permanent Global Note.

**1.3 References to Conditions:** Any reference herein to the “**Conditions**” is to the Conditions as defined in the Trust Deed, as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof. Words and expressions defined in the Conditions shall have the same meanings when used in this Permanent Global Note.

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<sup>2</sup> Legend to appear on every Note with a maturity of more than one year.



## 2 Promise to Pay

- 2.1 Pay to bearer:** The Issuer, for value received, promises to pay to the bearer of this Permanent Global Note, in respect of each Note represented by this Permanent Global Note, the Redemption Amount on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions (or to pay such other amounts of principal on such dates as may be specified in the Final Terms), and to pay interest on each such Note on the dates and in the manner specified in the Conditions, save that the calculation of interest is made in respect of the total aggregate amount of the Notes, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.
- 2.2 NGN Principal Amount:** If the Final Terms specify that the New Global Note form is applicable, this Permanent Global Note shall be a “**New Global Note**” or “**NGN**” and the principal amount of Notes represented by this Permanent Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression in this Permanent Global Note means the records that each ICSD holds for its customers which reflect the amount of such customers’ interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD)) shall be conclusive evidence of the principal amount of Notes represented by this Permanent Global Note and, for these purposes, a statement issued by an ICSD (which statement shall be made available to the bearer upon request) stating the principal amount of Notes represented by this Permanent Global Note at any time shall be conclusive evidence of the records of the ICSD at that time.
- 2.3 CGN Principal Amount:** If the Final Terms specify that the New Global Note form is not applicable, this Permanent Global Note shall be a “**Classic Global Note**” or “**CGN**” and the principal amount of Notes represented by this Permanent Global Note shall be the amount stated in the Final Terms or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto.

## 3 Negotiability

This Permanent Global Note is negotiable and, accordingly, title to this Permanent Global Note shall pass by delivery.

## 4 Exchange

This Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of this Permanent Global Note, for Definitive Notes (which expression has the meaning given in the Trust Deed) in accordance with the Agency Agreement:

- 4.1 In limited circumstances:** if the Final Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if either of the following events occurs:
- (A) **Closure of clearing systems:** Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”, together with Euroclear, the international central securities depositories or “**ICSDs**”) or any other relevant clearing system 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

- (B) **Event of Default:** any of the circumstances described in Condition 14 (*Events of Default*) occurs; or
- (C) **Upon withholding or deduction:** if the Trustee is satisfied that, on the occasion of the next payment due in respect of the Notes, the Issuer or any of the Paying Agents would be required to make any deduction or withholding from any payment in respect of such Notes which would not be required were such Notes in definitive form.

## 5 Delivery of Definitive Notes

Whenever this 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 Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by this Permanent Global Note to (or to the order of) the bearer of this Permanent Global Note against the surrender of this Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

## 6 Writing Down

On each occasion on which:

- 6.1 **Payment of principal:** a payment of principal is made in respect of this Permanent Global Note; or
- 6.2 **Definitive Notes:** Definitive Notes are delivered; or
- 6.3 **Cancellation:** Notes represented by this Permanent Global Note are to be cancelled in accordance with Condition 10(k) (*Redemption and Purchase – Cancellation*),

the Issuer shall procure that:

- (1) if the Final Terms specify that the New Global Note form is not applicable, (i) the amount of such payment and the aggregate principal amount of such Notes; and (ii) the remaining principal amount of Notes represented by this Permanent Global Note (which shall be the previous principal amount hereof less the aggregate of the amounts referred to in (i) above) are entered in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto, whereupon the principal amount of Notes represented by this Permanent Global Note shall for all purposes be as most recently so entered; and
- (2) if the Final Terms specify that the New Global Note form is applicable, details of the cancellation shall be entered pro rata in the records of the ICSDs.

## 7 Writing Up

- 7.1 **Initial Exchange:** If this Permanent Global Note was originally issued in exchange for part only of a temporary global note representing the Notes, then all references in this Permanent Global Note to the principal amount of Notes represented by this Permanent Global Note shall be construed as references to the principal amount of Notes represented by the part of

the temporary global note in exchange for which this Permanent Global Note was originally issued which the Issuer shall procure:

- (A) **CGN:** if the Final Terms specify that the New Global Note form is not applicable, is entered in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto, whereupon the principal amount of Notes represented by this Permanent Global Note shall for all purposes be as most recently so entered; and
- (B) **NGN:** if the Final Terms specify that the New Global Note form is applicable, is entered by the ICSDs in their records.

**7.2 Subsequent Exchange:** If at any subsequent time any further portion of such temporary global note is exchanged for an interest in this Permanent Global Note, the principal amount of Notes represented by this Permanent Global Note shall be increased by the amount of such further portion, and the Issuer shall procure that the principal amount of Notes represented by this Permanent Global Note (which shall be the previous principal amount of Notes represented by this Permanent Global Note plus the amount of such further portion) is:

- (A) **CGN:** if the Final Terms specify that the New Global Note form is not applicable, entered in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto, whereupon the principal amount of this Permanent Global Note shall for all purposes be as most recently so entered; and
- (B) **NGN:** if the Final Terms specify that the New Global Note form is applicable, entered by the ICSDs in their records.

## **8 Payments**

**8.1 Recording of Payments:** Upon any payment being made in respect of the Notes represented by this Permanent Global Note, the Issuer shall procure that:

- (A) **CGN:** if the Final Terms specify that the New Global Note form is not applicable, details of such payment shall be entered in Schedule 1 (*Payments, Exchange and Cancellation of Notes*) hereto and, in the case of any payment of principal, the principal amount of the Notes represented by this Permanent Global Note shall be reduced by the principal amount so paid; and
- (B) **NGN:** if the Final Terms specify that the New Global Note form is applicable, details of such payment shall be entered pro rata in the records of the ICSDs and, in the case of any payment of principal, the principal amount of the Notes entered in the records of ICSDs and represented by this Permanent Global Note shall be reduced by the principal amount so paid.

**8.2 Discharge of Issuer's obligations:** Payments due in respect of Notes for the time being represented by this Permanent Global Note shall be made to the bearer of this Permanent Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

**8.3 Payment Business Day:** If the currency of any payment made in respect of Notes represented by this Permanent Global Note is euro, the applicable Payment Business Day shall be 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 Centre; or, if the currency of any payment made in respect of the Notes represented by this Permanent Global Note is

not euro, the applicable Payment Business Day shall be any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

## **9 Conditions Apply**

Until this Permanent Global Note has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Permanent Global Note shall be subject to the Conditions and, subject as otherwise provided herein, shall be entitled to the same rights and benefits under the Conditions as if the bearer were the Holder of Definitive Notes and any related Coupons and Talons in the smallest Specified Denomination and in an aggregate principal amount equal to the principal amount of Notes represented by this Permanent Global Note.

## **10 Exercise of Put Option**

In order to exercise the option contained in Condition 10(f) (*Redemption and Purchase - Redemption at the option of Noteholders*) (the “**Put Option**”), the bearer of this Permanent Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and Put Option Notice (as such expression is defined in the Agency Agreement), give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which the Put Option is being exercised. Any such notice shall be irrevocable and may not be withdrawn.

## **11 Exercise of Call Option**

In connection with an exercise of the option contained in Condition 10(b) (*Redemption and Purchase – Redemption at the option of the Issuer*), 10(c) (*Redemption and Purchase - Redemption for Tax Event*), 10(d) (*Redemption and Purchase – Redemption for Capital Disqualification Event*) and 10(e) (*Redemption for Loss Absorption Disqualification Event*) in relation to some only of the Notes, this Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with 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).

## **12 Notices**

Notwithstanding Condition 21 (*Notices*), while all the Notes are represented by this Permanent Global Note (or by this Permanent Global Note and a temporary global note) and this Permanent Global Note is (or this Permanent Global Note a temporary global note are) deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a Common Safekeeper (which expression has the meaning given in the Trust Deed), notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 21 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

**13 Authentication**

This Permanent Global Note shall not be valid for any purpose until it has been authenticated for and on behalf of the Principal Paying Agent.

**14 Effectuation**

If the Final Terms specify that the New Global Note form is applicable, this Permanent Global Note shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as common safekeeper by the ICSDs.

**15 Governing Law**

This Permanent Global Note and any non-contractual obligations arising out of or in connection with it are governed by English law.

**In witness Whereof** the Issuer has caused this Permanent Global Note to be signed manually or in facsimile by a person duly authorised on its behalf.

**METRO BANK PLC**

By:

**ISSUED** on the Issue Date

**AUTHENTICATED** for and on behalf of  
**CITIBANK, N.A., LONDON BRANCH** as principal paying agent without recourse,  
warranty or liability

By:

**EFFECTUATED** for and on behalf of

.....

as common safekeeper without  
recourse, warranty or liability

By:

**Schedule 1**  
**Payments, Exchange and Cancellation of Notes**

<b>Date of payment, delivery or cancellation</b>	<b>Amount of interest then paid</b>	<b>Principal amount of Permanent Global Note then delivered or by which Permanent Global Note then increased or aggregate principal amount of Definitive Notes then delivered</b>	<b>Aggregate principal amount of Notes then cancelled</b>	<b>Remaining principal amount of this Permanent Global Note</b>

### Part 3 Form of Definitive Note

[On the face of the Note:]

[*currency*][*denomination*]

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]<sup>3</sup>

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION UNDER THE SECURITIES ACT.

#### **METRO BANK PLC**

*(incorporated with limited liability under the laws of England and Wales)*

**£3,000,000,000**

#### **Euro Medium Term Note Programme**

This Note is one of a series of notes (the “**Notes**”) of Metro Bank PLC (the “**Issuer**”) described in the final terms (the “**Final Terms**”), a copy of which is endorsed on this Note. Any reference herein to the “**Conditions**” is to the Terms and Conditions of the Notes endorsed on this Note, as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof. Words and expressions defined in the Conditions shall have the same meanings when used in this Note.

The Issuer, for value received, promises to pay to the bearer of this Note the Redemption Amount on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions (or to pay such other amounts of principal on such dates as may be specified in the Final Terms), and to pay interest on this Note on the dates and in the manner specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

This Note shall not be valid for any purpose until it has been authenticated for and on behalf of Citibank, N.A., London Branch as principal paying agent.

This Note and any non-contractual obligations arising out of or in connection with it are governed by English law.

**As Witness** the facsimile signature of a duly authorised person on behalf of the Issuer.

**METRO BANK PLC**

By:

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<sup>3</sup> Legend to appear on every Note with a maturity of more than one year.



**ISSUED** on the Issue Date

**AUTHENTICATED** for and on behalf of  
**CITIBANK, N.A., LONDON BRANCH** as principal paying agent without recourse,  
warranty or liability

By:

[On the reverse of the Note:]

**FINAL TERMS**

The following is a copy of the relevant particulars of the Final Terms.

**TERMS AND CONDITIONS**

[To be inserted]

[At the foot of the Terms and Conditions:]

**PRINCIPAL PAYING AGENT**

**Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**[PAYING AGENTS]**

[Name]

[Address]

[Name]

[Address]

## Part 4 Form of Coupon

[On the face of the Coupon:]

[For Fixed Rate Notes]

**METRO BANK PLC**

[*currency*] [*amount*] [*fixed rate*] b [*maturity*]

Coupon for [*currency*] [*amount of interest payment*] due on [*interest payment date*].

Such amount is payable, subject to the terms and conditions (the “**Conditions**”) endorsed on the Note to which this Coupon relates (which are binding on the holder of this Coupon whether or not it is for the time being attached to such Note), against presentation and surrender of this Coupon at the specified office for the time being of any of the agents shown on the reverse of this Coupon (or any successor or additional agents appointed from time to time in accordance with the Conditions).

[For Floating Rate Notes]

**METRO BANK PLC**

[*currency*] [*amount*] Floating Rate Notes due [*maturity*]

This Coupon relates to a Note in the denomination of [*currency*] [*amount*].

Coupon for the amount of interest due on the Interest Payment Date falling in [*month and year*].

Such amount is payable, subject to the terms and conditions (the “**Conditions**”) endorsed on the Note to which this Coupon relates (which are binding on the holder of this Coupon whether or not it is for the time being attached to such Note), against presentation and surrender of this Coupon at the specified office for the time being of any of the agents shown on the reverse of this Coupon (or any successor or additional agents appointed from time to time in accordance with the Conditions).

The Note to which this Coupon relates may, in certain circumstances specified in the Conditions, fall due for redemption before the maturity date of this Coupon. In such event, this Coupon shall become void and no payment will be made in respect hereof.

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]<sup>4</sup>

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<sup>4</sup> Legend to appear on every Note with a maturity of more than one year.

[On the reverse of the Coupon:]

**Principal Paying Agent:**

**Citibank, N.A., London Branch**

Citigroup Centre

Canada Square

Canary Wharf

London E14 5LB

United Kingdom

**Part 5**  
**Form of Talon**

*[On the face of the Talon:]*

**METRO BANK PLC**

**[currency] [amount] [[fixed rate]/Floating Rate] Notes due [maturity]**

Talon for further Coupons.

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of the Coupon Sheet to which this Talon is (or was at the time of issue) attached, this Talon may be exchanged at the specified office for the time being of the principal paying agent shown on the reverse of this Talon (or any successor principal paying agent appointed from time to time in accordance with the terms and conditions (the “**Conditions**”) of the Notes to which this Talon relates) for a further Coupon Sheet (including a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to the Conditions).

The Note to which this Talon relates may, in certain circumstances specified in the Conditions, fall due for redemption before the maturity date of such final Coupon. In such event, this Talon shall become void and no Coupon will be delivered in respect hereof.

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

*[On the reverse of the Talon:]*

**Principal Paying Agent:**

**Citibank, N.A., London Branch**

Citigroup Centre

Canada Square

Canary Wharf

London E14 5LB

United Kingdom

## Schedule 3

### Part 1

#### Form of Global Certificate

THIS CERTIFICATE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION UNDER THE SECURITIES ACT.

#### METRO BANK PLC

*(incorporated with limited liability under the laws of England and Wales)*

£3,000,000,000

#### Euro Medium Term Note Programme

#### GLOBAL CERTIFICATE

### 1 Introduction

**1.1 The Notes:** This Global Certificate is issued in respect of the notes (the “**Notes**”) of Metro Bank PLC (the “**Issuer**”) described in the final terms (the “**Final Terms**”) a copy of which is annexed hereto. The Notes:

(A) **Trust Deed:** are subject to, and have the benefit of, a trust deed dated 17 September 2019 (the “**Trust Deed**”) made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee (the “**Trustee**”, which expression includes all persons for the time being appointed trustee or trustees under the Trust Deed); and

(B) **Agency Agreement:** are the subject of an agency agreement dated 17 September 2019 (the “**Agency Agreement**”) made between the Issuer, Citibank N.A., London Branch as registrar (the “**Registrar**”, which expression includes any successor registrar appointed from time to time in connection with the Notes), the Trustee, Citibank, N.A., London Branch as principal paying agent and the other agents named therein.

**1.2 Construction:** All references in this Global Certificate to an agreement, instrument or other document (including the Agency Agreement and the Trust Deed) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time provided that, in the case of any amendment, supplement, replacement or novation made after the date hereof, it is made in accordance with the Conditions. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Global Certificate.

**1.3 References to Conditions:** Any reference herein to the “**Conditions**” is to the Terms and Conditions of the Notes set out in Schedule 1 (*Terms and Conditions of the Notes*) hereto, as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof. Words and expressions defined in the Conditions shall have the same meanings when used in this Global Certificate.

## 2 Registered Holder

This certifies that the person whose name is entered in the register maintained by the Registrar in relation to the Notes (the “**Register**”) is the duly registered holder (the “**Holder**”) of the aggregate principal amount shown in the Register from time to time of Notes of the Series specified in the Final Terms or (if the aggregate principal amount in respect of the Series specified in the Final Terms is different from the aggregate principal amount in respect of the Tranche specified in the Final Terms) the aggregate principal amount shown in the Register from time to time of Notes of the Tranche specified in the Final Terms.

## 3 Promise to Pay

The Issuer, for value received, promises to pay to the Holder, in respect of each Note represented by this Global Certificate, the Redemption Amount on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions (or to pay such other amounts of principal on such dates as may be specified in the Final Terms), and to pay interest on each such Note on the dates and in the manner specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

## 4 Payment Conditions

**4.1 Payment Business Day:** If the currency of any payment made in respect of Notes represented by this Global Certificate is euro, the applicable Payment Business Day shall be 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 Centre; or, if the currency of any payment made in respect of Notes represented by this Global Certificate is not euro, the applicable Payment Business Day shall be any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

**4.2 Payment Record Date:** Each payment made in respect of this Global Certificate will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the “**Record Date**”) where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

## 5 Exchange for Individual Certificates

This Global Certificate will be exchanged in whole (but not in part) for duly authenticated and completed Individual Certificates (which expression has the meaning given in the Trust Deed) in accordance with the Agency Agreement:

**5.1 In limited circumstances:** if the Final Terms specifies “in the limited circumstances described in the Global Certificate”, then if either of the following events occurs:

- (A) **Closure of clearing systems:** Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) or any other relevant clearing system 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
- (B) **Event of Default:** any of the circumstances described in Condition 14 (*Events of Default*) occurs; or

- (C) **Upon withholding or deduction:** if the Trustee is satisfied that, on the occasion of the next payment due in respect of the Notes of the relevant Series, the Issuer or any of the Transfer and Paying Agents would be required to make any deduction or withholding from any payment in respect of such Notes which would not be required were such Notes in definitive form.

## 6 Delivery of Individual Certificates

Whenever this Global Certificate is to be exchanged for Individual Certificates, such Individual Certificates shall be issued in an aggregate principal amount equal to the principal amount of this Global Certificate within five business days of the delivery, by or on behalf of the Holder, Euroclear and/or Clearstream, Luxembourg, to the Registrar of such information as is required to complete and deliver such Individual Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Certificates are to be registered and the principal amount of each such person's holding) against the surrender of this Global Certificate at the Specified Office of the Registrar. Such exchange shall be effected in accordance with the provisions of the Trust Deed and the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any Holder or the Trustee, but against such indemnity as the 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. In this Clause 6, "**business day**" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city in which the Registrar has its Specified Office.

## 7 Conditions Apply

Save as otherwise provided herein, the Holder of this Global Certificate shall have the benefit of, and be subject to, the Conditions and, for the purposes of this Global Certificate, any reference in the Conditions to "**Certificate**" or "**Certificates**" shall, except where the context otherwise requires, be construed so as to include this Global Certificate.

## 8 Exercise of Put Option

In order to exercise the option contained in Condition 10(f) (*Redemption and Purchase - Redemption at the option of Noteholders*) (the "**Put Option**"), the Holder must, within the period specified in the Conditions for the deposit of the relevant Certificate and Put Option Notice (as such expression is defined in the Agency Agreement), give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which the Put Option is being exercised. Any such notice shall be irrevocable and may not be withdrawn.

## 9 Exercise of Call Option

In connection with an exercise of the option contained in Condition 10(b) (*Redemption and Purchase - Redemption at the option of the Issuer*), 10(c) (*Redemption and Purchase - Redemption for Tax Event*) and 10(d) (*Redemption and Purchase - Redemption for Capital Disqualification Event*) in relation to some only of the Notes, the Notes represented by this Global Certificate may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with 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).

## **10 Notices**

Notwithstanding Condition 21 (*Notices*), so long as this Global Certificate is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”), notices to Holders of Notes represented by this Global Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream, Luxembourg or (as the case may be) such Alternative Clearing System and, in any case, such notices shall be deemed to have been given to the Holders of the Notes in accordance with the Condition 21 (*Notices*) on the date of delivery to Euroclear, Clearstream, Luxembourg and/or such Alternative Clearing System.

## **11 Determination of Entitlement**

This Global Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Global Certificate.

## **12 Authentication**

This Global Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of the Registrar.

## **13 Effectuation**

This Global Certificate shall not be valid for any purpose until it has been effectuated for or on behalf of the entity appointed as common safekeeper by Euroclear or Clearstream, Luxembourg.

## **14 Governing Law**

This Global Certificate and any non-contractual obligations arising out of or in connection with it are governed by English law.

**As Witness** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**METRO BANK PLC**

By:

**ISSUED** on [*issue date*]

**AUTHENTICATED** for and on behalf of

**CITIBANK N.A., LONDON BRANCH**

as registrar without recourse, warranty or liability

By:

**EFFECTUATED** for and on behalf of

**CITIBANK, N.A., LONDON BRANCH** as common safekeeper

without recourse, warranty or liability

By:

**Form of Transfer**

FOR VALUE RECEIVED ..... being the registered holder of this  
Global Certificate, hereby transfers to .....

.....

of.

.....

.....

[*currency*] ..... in principal amount of the Notes and irrevocably requests and  
authorises Citibank N.A., London Branch, in its capacity as registrar in relation to the Notes (or any  
successor to Citibank N.A., London Branch, in its capacity as such) to effect the relevant transfer by  
means of appropriate entries in the register kept by it.

Dated: .....

By: .....  
(*duly authorised*)

**Notes**

The name of the person by or on whose behalf this form of transfer is signed must correspond with  
the name of the registered holder as it appears on the face of this Global Certificate.

- (a) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
- (c) Any transfer of Notes shall be in an amount equal to a Specified Denomination or an integral multiple thereof.

**Schedule 1**  
**Terms and Conditions of the Notes**  
*[to be Inserted]*

**Part 2**  
**Form of Individual Certificate**

Serial Number: .....

THIS CERTIFICATE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION UNDER THE SECURITIES ACT.

**METRO BANK PLC**

*(incorporated with limited liability under the laws of England and Wales)*

**£3,000,000,000**

**Euro Medium Term Note Programme**

This Individual Certificate is issued in respect of a series of notes (the "**Notes**") of Metro Bank PLC (the "**Issuer**") described in the final terms (the "**Final Terms**") a copy of the relevant particulars of which is endorsed on this Individual Certificate. Any reference herein to the "Conditions" is to the Terms and Conditions of the Notes endorsed on this Individual Certificate, as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered "Condition" is to the correspondingly numbered provision thereof. Words and expressions defined in the Conditions shall have the same meanings when used in this Individual Certificate.

This is to certify that:

.....

of

.....

is the person registered in the register maintained by the Registrar in relation to the Notes (the "**Register**") as the duly registered holder or, if more than one person is so registered, the first-named of such persons (the "**Holder**") of:

[**currency**] .....

(..... [**CURRENCY IN WORDS**])

in aggregate principal amount of the Notes.

The Issuer, for value received, hereby promises to pay the Redemption Amount to the Holder on Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions (or to pay such other amounts of principal on such dates as may be specified in the Final Terms), and to pay interest on this Individual Certificate on the dates and in the manner specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

This Individual Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Individual Certificate.

This Individual Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of Citibank N.A., London Branch as registrar.

This Individual Certificate and any non-contractual obligations arising out of or in connection with it are governed by English law.

**As Witness** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**MERTRO BANK PLC**

By:

**ISSUED** as of [*issue date*]

**AUTHENTICATED** for and on behalf of  
**CITIBANK N.A., LONDON BRANCH** as registrar without recourse,  
warranty or liability

By:

**Form of Transfer**

FOR VALUE RECEIVED ..... being the registered holder of this  
Individual Certificate, hereby transfers to  
.....

.....  
of.  
.....  
.....

[*currency*] ..... in principal amount of the Notes and irrevocably requests and  
authorises Citibank N.A., London Branch, in its capacity as registrar in relation to the Notes (or any  
successor to Citibank N.A., London Branch, in its capacity as such) to effect the relevant transfer by  
means of appropriate entries in the register kept by it.

Dated: .....

By: .....  
(*duly authorised*)

**Notes**

The name of the person by or on whose behalf this form of transfer is signed must correspond with  
the name of the registered holder as it appears on the face of this Individual Certificate.

- (a) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
- (c) Any transfer of Notes shall be in an amount equal to a Specified Denomination or an integral multiple thereof.

[On the reverse of the Certificate:]

**FINAL TERMS**

The following is a copy of the Final Terms.

**TERMS AND CONDITIONS**

[To be inserted]

[At the foot of the Terms and Conditions:]

**PRINCIPAL PAYING AGENT AND  
TRANSFER AGENT**

**Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**REGISTRAR**

**Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom



## Schedule 4 Provisions for Meetings of Noteholders

### 1 Definitions

In this Trust Deed and the Conditions, the following expressions have the following meanings:

#### 1.1 In relation to Meetings of Holders of Registered Notes and/or Holders of Bearer Notes:

“**Chairman**” means, in relation to any Meeting, the individual who takes the chair in accordance with Clause 8 (*Chairman*);

“**Electronic Consent**” has the meaning set out in Clause 20 (*Written Resolution and Electronic Consent*);

“**Extraordinary Resolution**” means a resolution passed (i) at a Meeting duly convened and held in accordance with this Schedule by a majority of at least 75 per cent. of the votes cast, (ii) by a Written Resolution or (iii) by an Electronic Consent;

“**Meeting**” means a meeting of Noteholders (whether originally convened or resumed following an adjournment);

“**Relevant Fraction**” means:

- (A) for all business other than voting on an Extraordinary Resolution, not less than 10 per cent. in principal amount of the Notes for the time being outstanding;
- (B) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, a clear majority in principal amount of the Notes for the time being outstanding; and
- (C) for voting on any Extraordinary Resolution relating to a Reserved Matter, not less than two-thirds in principal amount of the Notes for the time being outstanding;

*provided, however, that*, in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

- (1) for all business other than as described in paragraph (2) of this definition, below, one or more persons being or representing Holders whatever the principal amount of the Notes so held or represented; and
- (2) for voting on any Extraordinary Resolution relating to a Reserved Matter, not less than one third in principal amount of the Notes for the time being outstanding;

Notwithstanding the above, the agreement or approval of the Holders shall not be required in the case of any variation of the Conditions and/or the Trust Deed required to be made in the circumstances described in Conditions 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) and 10(o) (*Substitution and Variation of Tier 2 Capital Notes*) in connection with the variation of the terms of the Notes so that they become, alternative Qualifying Tier 2 Securities or Loss Absorption Compliant Notes, as the case may be, and to which the Trustee has agreed pursuant to the relevant provisions of Conditions 10(p) (*Substitution and Variation of Senior Non-Preferred Notes*) or 10(o) (*Substitution and Variation of Tier 2 Capital Notes*), as the case may be

**“Reserved Matter”** means any proposal:

- (A) to modify provisions regarding status and subordination referred to in Condition 3 (*Status*), reduce or cancel the amount of principal, or the rate of interest payable, in respect of the Notes or, where applicable, to modify, except where such modification is in the opinion of the Trustee bound to result in an increase, of the method of calculating the amount payable, or to modify the date of payment, or, where applicable, of the method of calculating the date of payment, in respect of any principal or interest in respect of the Notes;
- (B) to alter the currency in which payments under the Notes or Coupons are to be made;
- (C) to alter the majority required to pass an Extraordinary Resolution;
- (D) to sanction any such scheme or proposal as is described in Clause 17(I) below; or
- (E) to amend this definition;

**“Written Resolution”** means a resolution in writing signed by or on behalf of Holders of not less than 75 per cent. in principal amount of Notes outstanding;

**“24 hours”** means a period of 24 hours including all or part of a day (disregarding for this purpose the day upon which such Meeting is to be held) upon which banks are open for business in both the place where the relevant Meeting is to be held and in each of the places where the Paying Agents have their Specified Offices and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

**“48 hours”** means two consecutive periods of 24 hours.

In relation to Meetings of Holders of Bearer Notes only:

**“Block Voting Instruction”** means, in relation to any Meeting, a document in the English language issued by a Paying Agent:

- (A) certifying that the Deposited Notes have been deposited with such Paying Agent (or to its order at a bank or other depositary) or blocked in an account with a clearing system and will not be released until the earlier of:
  - (1) the conclusion of the Meeting; and
  - (2) the surrender to such Paying Agent, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the Deposited Notes and notification thereof by such Paying Agent to the Issuer and the Trustee; and
- (B) certifying that the depositor of each Deposited Note or a duly authorised person on its behalf has instructed the relevant Paying Agent that the votes attributable to such Deposited Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;
- (C) listing the total number and (if in definitive form) the certificate numbers of the Deposited Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and

- (D) authorising a named individual or individuals to vote as a Proxy in respect of the Deposited Notes in accordance with such instructions;

“**Deposited Notes**” means certain specified Bearer Notes which have been deposited with a Paying Agent (or to its order at a bank or other depository) or blocked in an account with a clearing system, for the purposes of the issuance of a Block Voting Instruction or a Voting Certificate;

“**Proxy**”, in the case of Bearer Notes means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction other than:

- (A) any such person whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (B) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

“**Voter**” means, in relation to any Meeting, the bearer of a Voting Certificate, Proxy or the bearer of a Definitive Note who produces such Definitive Note at the Meeting; and

“**Voting Certificate**” means, in relation to any Meeting, a certificate in the English language issued by a Paying Agent and dated in which it is stated:

- (A) that the Deposited Notes have been deposited with such Paying Agent (or to its order at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
- (1) the conclusion of the Meeting; and
  - (2) the surrender of such certificate to such Paying Agent; and
- (B) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the Deposited Notes.

## 1.2 In relation to any Meeting of the Holders of Registered Notes:

“**Block Voting Instruction**” means, in relation to any Meeting, a document in the English language issued by a Registrar:

- (A) certifying:
- (1) that certain specified Registered Notes (each a “**Blocked Note**”) have been blocked in an account with a clearing system and will not be released until the conclusion of the Meeting and that the Holder of each Blocked Note or a duly authorised person on its behalf has instructed the Registrar that the votes attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting; or
  - (2) that each registered Holder of certain specified Registered Notes (each a “**Relevant Note**”) or a duly authorised person on its behalf has instructed the Registrar that the votes attributable to each Relevant Note held by it are to be cast in a particular way on each resolution to be put to the Meeting; and

in each case that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

- (B) listing the total principal amount of the Blocked Notes and the Relevant Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (C) authorising a named individual or individuals to vote as a Proxy in respect of the Blocked Notes and the Relevant Notes in accordance with such instructions;

**“Form of Proxy”** means, in relation to any Meeting, a document in the English language available from the Registrar signed by a Noteholder or, in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the Registrar not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the Registered Notes held by such Noteholder;

**“Proxy”**, in the case of Registered Notes means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction or a Form of Proxy other than:

- (A) any such person whose appointment has been revoked and in relation to whom the Registrar has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (B) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed; and

**“Voter”** means, in relation to any Meeting, (a) a Proxy or (b) (subject to Clause 5 (*Record Date in relation to Registered Notes*) below) a Noteholder; provided, however, that (subject to Clause 5 (*Record Date in relation to Registered Notes*) below) any Noteholder which has appointed a Proxy under a Block Voting Instruction or Form of Proxy shall not be a **“Voter”** except to the extent that the appointment of such Proxy has been revoked and the Registrar notified in writing of such revocation at least 48 hours before the time fixed for such Meeting.

## **2 Issue of Voting Certificates, Block Voting Instructions and Forms of Proxy**

**2.1 Bearer Notes:** The Holder of a Bearer Note may obtain a Voting Certificate from any Paying Agent or require any Paying Agent to issue a Block Voting Instruction by depositing such Bearer Note with such Paying Agent or arranging for such Bearer Note to be (to its satisfaction) held to its order or under its control or blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. A Voting Certificate or Block Voting Instruction shall be valid until the release of the Deposited Notes to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the Holder of the Bearer Notes to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Bearer Note.

**2.2 Registered Notes:** The Holder of a Registered Note may require the Registrar to issue a Block Voting Instruction by arranging (to the satisfaction of the Registrar) for such Registered Note to be blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. The Holder of a Registered Note may require the Registrar to issue a Block Voting Instruction by delivering to the Registrar written instructions not later than 48 hours before the time fixed for the relevant Meeting. Any Holder of a Note may obtain an uncompleted and unexecuted Form of Proxy from the Registrar. A Block

Voting Instruction and a Form of Proxy cannot be outstanding simultaneously in respect of the same Registered Note.

### **3 References to deposit/release or blocking/release of Notes**

**3.1 Bearer Notes:** Where Bearer Notes are represented by one or more Global Notes or are held in definitive form within a clearing system, references to the deposit, or release, of Bearer Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of such clearing system.

**3.2 Registered Notes:** Where Registered Notes are represented by one or more Global Certificates or are held in definitive form within a clearing system, references to the blocking, or release, of Registered Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of such clearing system.

### **4 Validity of Block Voting Instructions and Forms of Proxy**

**4.1 Bearer Notes:** A Block Voting Instruction in relation to Bearer Notes shall be valid only if it is deposited at the Specified Office of the relevant Paying Agent or at some other place approved by the Trustee, at least 24 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Trustee requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Trustee shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

**4.2 Registered Notes:** Block Voting Instructions in relation to Registered Notes and Forms of Proxy shall be valid only if deposited at the specified office of the Registrar or at some other place approved by the Trustee, at least 24 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Trustee requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Trustee shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

### **5 Record date in relation to Registered Notes**

The Issuer may fix a record date for the purposes of any Meeting of the Holders of Registered Notes or any resumption thereof following its adjournment for want of a quorum provided that such record date is not more than 10 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a Registered Note is registered in the Register on the record date at close of business in the city in which the Registrar has its Specified Office shall be deemed to be the Holder of such Note for the purposes of such Meeting and notwithstanding any subsequent transfer of such Note or entries in the Register.

### **6 Convening of Meeting**

**6.1** The Issuer or the Trustee, subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction, may and the Trustee shall, upon a requisition in writing in the English language signed by Noteholders holding not less than 10 per cent. of the aggregate principal amount of the outstanding Notes, convene a Meeting. Every Meeting shall be held on a date, and at a time and place, approved by the Trustee.

- 6.2** A meeting that has been validly convened may be cancelled by the person who convened such meeting by giving at least one days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) to the Bondholders (with a copy to the Trustee where such meeting was convened by the Issuer or to the Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 6.2 shall be deemed not to have been convened.

## **7 Notice**

- 7.1 General:** At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Noteholders and the Paying Agents in relation to Bearer Notes, and the Registrar, in relation to Registered Notes (with a copy to the Issuer) where the Meeting is convened by the Trustee and/or the Issuer.

- 7.2 Bearer Notes:** The notice shall set out the full text of any resolutions to be proposed and shall state that the Bearer Notes may be deposited with, or to the order of, any Paying Agent for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting and a Noteholder may appoint a Proxy either under a Block Voting Instruction by delivering written instructions to the Registrar or by executing and delivering a Form of Proxy to the Specified Office of the Registrar, in either case until 48 hours before the time fixed for the Meeting.

- 7.3 Registered Notes:** The notice shall set out the full text of any resolutions to be proposed and shall state that Registered Notes may be blocked in clearing systems for the purposes of appointing Proxies under Block Voting Instructions until 48 hours before the time fixed for the Meeting and a Noteholder may appoint a Proxy either under a Block Voting Instruction by delivering written instructions to the Registrar or by executing and delivering a Form of Proxy to the Specified Office of the Registrar, in either case until 48 hours before the time fixed for the Meeting.

## **8 Chairman**

An individual (who may, but need not, be a Noteholder) nominated in writing by the Trustee may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

## **9 Quorum**

The quorum at any Meeting shall be one or more Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes.

## **10 Adjournment for want of quorum**

If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time fixed for any Meeting a quorum is not present, then:

- (A) in the case of a Meeting requested by Noteholders, it shall be dissolved; and

- (B) in the case of any other Meeting (unless the Issuer and the Trustee otherwise agree), it shall be adjourned to the same day in the next week (or if such day is a public holiday the next succeeding business day) at the same time and place (except in the case of a Meeting at which an Extraordinary Resolution is to be proposed in which case it shall stand adjourned for such period, being not less than 14 clear days nor more than 42 clear days, and to such place as may be appointed by the Chairman either at or subsequent to such Meeting and approved by the Trustee). If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any adjourned Meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairman may either (with the approval of the Trustee) dissolve such Meeting or adjourn the same for such period, being not less than 14 clear days, and to such place as may be appointed by the Chairman either at or subsequent to such adjourned Meeting and approved by the Trustee, and the provisions of this sentence shall apply to all such further adjourned Meetings. At any adjourned Meeting, one or more persons present holding Notes or voting certificates or being proxies (whatever the principal amount of the Notes so held or represented by them) shall (subject as provided below) form a quorum and shall (subject as provided below) have power to pass any Extraordinary Resolution or other resolution and to decide upon all matters which could properly have been dealt with at the Meeting from which the adjournment took place had the requisite quorum been present provided that at any adjourned Meeting the quorum for the transaction of business comprising any of the matters specified in the proviso to the definition of "Relevant Fraction" above shall be one or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate not less than one third of the principal amount of the Notes for the time being outstanding.

## **11 Adjourned Meeting**

The Chairman may, with the consent of, and shall if directed by, any Meeting adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

## **12 Notice following adjournment**

Clause 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (A) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (B) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

## **13 Participation**

The following may attend and speak at a Meeting:

- (A) Voters;
- (B) representatives of the Issuer and the Trustee;
- (C) the financial advisers of the Issuer and the Trustee;
- (D) the legal counsel to the Issuer and the Trustee and such advisers;
- (E) any other person approved by the Meeting or the Trustee; and
- (F) in relation to Registered Notes, the Registrar, or in relation to Bearer Notes, the Principal Paying Agent.

## **14 Show of hands and Poll**

- 14.1** At any Meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman, the Issuer, the Trustee or any person present holding a Note or a Voting Certificate or being a proxy (whatever the principal amount of the Notes so held or represented by him), a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 14.2** Subject to Clause 14.4 below, if at any Meeting a poll is so demanded, it shall be taken in such manner and subject as hereinafter provided either at once or after an adjournment as the Chairman directs and the result of such poll shall be deemed to be the resolution of the Meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the Meeting for the transaction of any business other than the motion on which the poll has been demanded.
- 14.3** The Chairman may, with the consent of (and shall if directed by) any such Meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned Meeting except business that might lawfully (but for lack of required quorum) have been transacted at the Meeting from which the adjournment took place.
- 14.4** Any poll demanded at any Meeting on the election of a Chairman or on any question of adjournment shall be taken at the Meeting without adjournment.

## **15 Votes**

Every Voter shall have:

- (A) on a show of hands, one vote; and
- (B) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Note(s) represented or held by him by one.

In the case of a voting tie the Chairman shall have a casting vote.

Unless the terms of any Block Voting Instruction or Form of Proxy state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.



## **16 Validity of Votes by Proxies**

- 16.1** Any vote by a Proxy in accordance with the relevant Block Voting Instruction in relation to either Bearer or Registered Notes or Form of Proxy in relation to Registered Notes shall be valid even if such Block Voting Instruction or Form of Proxy or any instruction pursuant to which it was given has been amended or revoked, provided that none of the Issuer, the Trustee, the Paying Agent, the Registrar or the Chairman has been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting; or
- 16.2** Unless revoked, any appointment of a Proxy under a Block Voting Instruction or a Form of Proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; *provided, however, that* no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any Proxy appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction (or, in relation to Registered Notes, a Form of Proxy) to vote at the Meeting when it is resumed.

## **17 Powers**

A Meeting shall, in addition to the powers hereinbefore given, have the following powers exercisable by Extraordinary Resolution (subject to the provisions relating to quorum contained in Clause 9 (*Quorum*) and Clause 10 (*Adjournment for want of quorum*) above):

- (A) power to sanction any compromise or arrangement proposed to be made between the Issuer, the Trustee, any Appointee and the Noteholders and the Couponholders or any of them;
- (B) power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Trustee, any Appointee, the Noteholders, the Couponholders or the Issuer against any other or others of them or against any of their property whether such rights shall arise under this Trust Deed, the Notes, the Talons or the Coupons or otherwise;
- (C) power to assent to any modification or waiver of the provisions of this Trust Deed, the Notes, the Talons or the Coupons which shall be proposed by the Issuer, the Trustee or any Noteholder;
- (D) power to give any authority or sanction which under the provisions of this Trust Deed is required to be given by Extraordinary Resolution;
- (E) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- (F) power to approve of a person to be appointed a trustee and power to remove any trustee or trustees for the time being of this Trust Deed;
- (G) power to discharge or exonerate the Trustee and/or any Appointee from all liability in respect of any act or omission for which the Trustee and/or such Appointee may have become responsible under this Trust Deed, the Notes, the Talons or the Coupons;

- (H) power to authorise the Trustee and/or any Appointee to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution; and
- (I) power to sanction any scheme of proposal for the exchange or sale of the Notes for or the conversion of the Notes into or the cancellation of the Notes in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash;

provided that (1) the provisions concerning subordination contained in Clause 5 (*Subordination*) of the Trust Deed and this proviso shall not be capable of modification by Extraordinary Resolution and (2) the requirements of Condition 18(e) (*Meetings of Noteholders; Modification and Waiver; Substitution - Supervisory Permission*) are complied with in relation to any modification, waiver or substitution of Senior Non-Preferred Notes or Tier 2 Capital Notes.

## **18 Extraordinary Resolution binds all Holders**

An Extraordinary Resolution duly passed shall be binding upon all Noteholders and, in relation to Bearer Notes and Couponholders, whether or not present at such Meeting, and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and, in relation to Bearer Notes, to the Paying Agents and, in relation to Registered Notes, the Registrar (with a copy to the Issuer and the Trustee) within 14 days of the conclusion of the Meeting.

## **19 Minutes**

Minutes of all resolutions and proceedings at each Meeting shall be made. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

## **20 Written Resolution and Electronic Consent**

**20.1** Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Bearer Note or a Global Certificate held on behalf of one or more of Euroclear, Clearstream, Luxembourg or an alternative clearing system, then, in respect of any resolution proposed by the Issuer or the Trustee:

**20.2** Where the terms of the resolution proposed by the Issuer or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s) as provided in Clauses 20.2(A) and/or 20.2(B) below, each of the Issuer and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the

Holders of not less than 75 per cent. in principal amount of the Notes outstanding (the “**Required Proportion**”) (“**Electronic Consent**”) by close of business on the Relevant Date. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer or the Trustee shall be liable or responsible to anyone for such reliance.

- (A) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).
- (B) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the “**Proposer**”) so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform Noteholders that insufficient consents were received in relation to the original resolution and the information specified in (A) above. For the purpose of such further notice, references to “Relevant Date” shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved.

- 20.3** Where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, (A) by accountholders in the clearing system(s) with entitlements to such Global Bearer Note or Global Certificate and/or, (B) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (A) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (B) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (B) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s

EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

- 20.4** A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all. Noteholders and holders of Coupons, Talons and Receipts, whether or not they participated in such Written Resolution and/or Electronic Consent.

## **21 Further regulations**

Subject to all other provisions contained in this Trust Deed, the Trustee may without the consent of the Issuer or the Noteholders prescribe such further regulations regarding the holding of Meetings of Noteholders and attendance and voting at them as the Trustee may in its sole discretion determine.

## **22 Several Series**

The following provisions shall apply where outstanding Notes belong to more than one Series:

- (A) Business which in the opinion of the Trustee affects the Notes of only one Series shall be transacted at a separate Meeting of the Holders of the Notes of that Series.
- (B) Business which in the opinion of the Trustee affects the Notes of more than one Series but does not give rise to an actual or potential conflict of interest between the Holders of Notes of one such Series and the Holders of Notes of any other such Series shall be transacted either at separate Meetings of the Holders of the Notes of each such Series or at a single Meeting of the Holders of the Notes of all such Series, as the Trustee shall in its absolute discretion determine.
- (C) Business which in the opinion of the Trustee affects the Notes of more than one Series and gives rise to an actual or potential conflict of interest between the Holders of Notes of one such Series and the Holders of Notes of any other such Series shall be transacted at separate Meetings of the Holders of the Notes of each such Series.
- (D) The preceding Clauses of this Schedule shall be applied as if references to the Notes and Noteholders were to the Notes of the relevant Series and to the Holders of such Notes.

In this Clause 22, "**business**" includes (without limitation) the passing or rejection of any resolution.